Stempel maps task at Chevrolet from a corporate view

By Matt DeLorenzo
Los Angeles Reporter

LOS ANGELES. — Returning from Europe to take the helm of Chevrolet Division, Robert C. Stempel is prepared to bring to the job a global and a General Motors corporate perspective in dealing with the challenges that lie ahead.

Stempel was in Los Angeles to receive Motor Trend's Car of the Year award for the Camaro Z-28.

His appearance here came just days after he returned from Europe and, consequently, Stempel said he hasn't set many goals yet and intends to do so only after meeting with his staff. "Obviously, one of our goals is going to be to increase sales," he said.

Chevrolet's fortune has been sagging of late, with the division's share of General Motors' sales decreasing from 42 percent in 1980 to 38 percent in 1981. However, Stempel is not so concerned with Chevrolet's share of the pie, but rather how big the pie is for GM.

"Coming back to Chevrolet, my view is somewhat different," he said. "I'm not so much worried about those sister divisions as I am about those guys who are not part of the corporation.

"I have to look at this from a GM basis," he said of market share. "If GM can garner 50 percent of the market, so be it. Now, if the whole 50 percent happens to be Cadillac, also fine. What I'm saying is that within the GM organization, we've got to have the flexibility to be able to move with the market.

"The objective has to be as a corporation to get our share of the market. We want to maximize that."

• Stempel does hope that Chevrolet can improve its sales as GM as a whole moves forward, although getting back to what has been Chevrolet's "traditional" market share may not be possible. "That's because the market has changed," he said.

"The typical broad ownership base is not there. You don't have to start at Chevrolet or whatever," he added, referring to the historic strategy of getting first-time buyers into a Chevrolet and then moving them up.

"I'm not hung up on any specific targets," Stempel continued, and added that the division builds many products that are used by other divisions. "It's more important for GM to get the share of the market. As general manager of Chevrolet, I'm going to be doing everything I can think of to get the biggest chunk of the business."

While there are no immediate changes in the offing for Chevrolet's organization, Stempel said that one of the first items on his agenda is to reassess Chevrolet's image.

"I think that's one of our critical marketing questions," he said.

During his tenure at Pontiac, work was begun to define a new image for that division and already that program has begun to bear fruit.

"There's no doubt in my mind that Pontiac has crystalized even further their image and what their target market is," he said. "Certainly, at Opel, we spent a great deal of time finding out what Opel was, what Opel is and where it should go.

• "More and more the customer is looking for clearly defined efforts," he added. "They want to know if you are really in the luxury end, or are you going to be all things to all people and what is the objective of your product. Certainly at Chevrolet, we'll be trying to find that clear statement of what Chevrolet is, who the potential buyers are and where our market is."

With that information in hand, Stempel said the division will be able to strengthen its efforts where it will do the most good and perhaps back out of other areas where Chevrolet has not been successful.

"There is no one car that's going to satisfy all," he said. "What we have to do is capitalize on our strengths. (We have to) find out who our target customers are and sell to them."

Stempel said that in the next few weeks a clear statement of Chevrolet's image may emerge.

The need for the definition of Chevrolet's image is the result of the dramatic changes that have occurred in the auto market, he said.

"The ballgame has changed," Stempel said. "The automobile business is not going to be what it was 10 years ago or a year ago. It is different and it is never going to go back. The days of supermarket shopping with 500 cars on the lot is going to be behind us. It's going to be a consumer's market."

• Stempel said the industry is faced with serious competition from overseas, dealers with tremendous investment in facilities and inventory and a customer that is no longer brand loyal.

"The customer is out for Mr. Customer," Stempel said. "He wants the most for his dollar. The customer is becoming more sophisticated. He no longer wants a car because it looks pretty or his father had a Chevrolet. Those days are gone. We've got to learn to market to that.

"We have to be sure they understand our strengths, where we're going and have a clear definition of ourselves so they know who we are."

While the customer is no long-

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Subaru a la Solaire

Subaru GLF and DL models are available as soft-top convertibles through dealers participating in Solaire's conversion market. Solaire, headquartered in Santa Ana, Calif., has been making Honda Prelude convertibles since 1980. The Subaru conversion maintains original rear-seating capacity.

February total for domestics is lowest since 1962

U. S. and import sales dip for month

By Jenny L. King
Staff Writer

February new-car sales were down across the board. Domestics reported their lowest total since 1962, while imports, of which the Japanese-built segment has been running 79 percent, reflected the voluntary restraint agreement between Japan and the U. S. and were down 20 percent from last year.

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Total sales for the month were 632,203, down 17.22 percent from 763,695 in 1981. Domestic auto makers retailed 456,942, down 15.94 percent from 543,593. Import sales numbered 175,261, down 20.47 percent from 220,372.

Industry sales for the first two months totaled 1,166,482, down 17.40 percent from 1,412,192 a year ago. Domestic year-to-date sales were off 18.58 percent, to 825,080 from 1,013,425. Sales of imports through February totaled 341,402, down 14.39 percent from 398,767.

Total sales of Japanese-built cars for the 11 months beginning April 1, 1981, were an estimated 1,599,000 units, coming very close to the agreed-upon restricted amount of 1.68 million through the end of this month.

In February, General Motors sales dropped 16.49 percent, to 276,383 from 330,957 in 1981. Ford Motor Co. sales totaled 110,932, down 8.45 percent from 121,172. Chrysler Corp. reported a sales decline of 12.19 percent, to 55,515 from 63,225. American Motors sales of 7,201 were down 43.49 percent from 12,743, and Volkswagen of America plunged 55.40 percent, to 6,911 from 15,496.

GM earned 60.49 percent of the domestic market, down from 60.88 percent a year earlier. Ford claimed 24.28 percent, up from 22.29 percent. Chrysler earned 12.15 percent, up from 11.63 percent. AMC slipped to 1.57 percent from 2.35 percent, and VWoA pinched off 1.51 percent, down from 2.85 percent.

Imported cars accounted for 27.72 percent of the February new-car market, second largest percentage for the month and down a percentage point from the record 28.82 percent notched in 1981.

Top import Toyota had a decline of 30.01 percent, to 40,586 from 57,985 last year. Datsun was down 13.18 percent, to 35,917 from 41,372. Honda pulled back 13.83 percent, to 30,333 from 35,202. Subaru was up 6.02 percent, and Mazda was off 33.56 percent.

Where Auto Market was in February

	Total Sales	Pct. of Total
SUBCOMPACT	119,525	18.91
COMPACT	127,707	20.20
INTERMEDIATE	121,350	19.19
STANDARD	56,636	8.96
LUXURY	31,724	5.02
IMPORT	175,261	27.72
TOTAL	632,203	100.00

UAW council to meet on resuming GM talks

By Marjorie Sorge
Labor Editor

DETROIT. — The UAW-General Motors Council is scheduled to meet this week to decide whether negotiations should be resumed with General Motors Corp.

Talks with GM broke off Jan. 28 without an agreement.

But, General Motors must come up with an agreement which shows as "much imagination and ingenuity as Ford" if it wants to reach a new contract with the UAW soon, according to UAW President Douglas A. Fraser.

At the signing of the new Ford pact last week, Fraser told reporters the union would begin to take a reading of the membership to see if resuming negotiations with GM is the wish of the rank-and-file. Currently, union officials are saying that the members are more willing to resume talking as GM plants are being closed at a rapid pace.

Fraser said this is not a blackmail technique on GM's part but only the result of poor economic times. GM has already announced the closing of seven plants and has eliminated numerous shifts throughout its plant network.

If any agreement is reached with GM, Fraser said, it must include a stipulation that all announced plant closings must be reviewed.

The UAW is also interested in continuing with the framework it submitted to GM when negotiations began in early January. That included passing any cost savings generated by concessions from the union on to the consumer "penny for penny" in lower prices on cars and trucks.

Also, an independent CPA was to be hired to make sure all the cost savings were passed on to the consumers, in effect, opening GM's books to scrutiny.

Recently, F. James McDonald, GM president, told reporters at the NADA convention that GM no longer intends to pass along any savings to the consumer. When such a plan was announced in January, new-car sales fell off drastically.

• Fraser said he hadn't talked to GM officials since talks broke off in late January and is not sure if "McDonald's position is official or if he is just making conversation."

GM Chairman Roger B. Smith reiterated McDonald's remarks

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Rear deck and top treatment

E & G Classics, Inc., Columbia, Md., offers a deck lid hump moulding kit for the 1982 Lincoln Continental. The lid concept, coupled with an E & G simulated convertible top kit, is available through the company or any of its distributors.

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57th year — No. 4905

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New format draws criticism

GM planning to split shareholder meeting

By Edward Lapham
Financial Editor

General Motors has changed the ground rules for its May 21 annual meeting and has stirred up some shareholder criticism.

GM has decided to divide the annual meeting into two parts: A morning statutory meeting at Detroit's Fisher Theater which will include election of directors, voting on management and shareholder proposals included in the proxy and other mandated items of business, and an afternoon session which will be a shareholder forum where a panel of GM vice presidents and group vice presidents will answer general questions about the company's business.

Traditionally, GM has included two lengthy general topic question-and-answer periods in its annual meeting.

"This will be the stormiest, most tumultuous GM annual meeting in recent history," said Lewis D. Gilbert, shareholder advocate and co-founder of Corporate Democracy Inc.

Gilbert, who has attended 33 consecutive GM annual meetings and is generally considered to be the dean of shareholder advocates, is no young radical. He has been saluted publicly at annual meetings by GM Chairman Roger B. Smith and former chairman Thomas A. Murphy for his contributions and for having been "a positive force" on behalf of shareholders.

Gilbert said the directors should be present for the question-and-answer periods and that he intends to use parliamentary procedures to try to force inclusion of general question-and-answer periods.

Gilbert said the split session is a regressive step in corporate democracy.

"It is the worst throwback possible," he said. "If necessary, we'll go to jail. This move will bring out all the activists. They'll need 10 paddy wagons to carry us all away."

• Wilma Soss, another well-respected shareholder advocate and long-time GM annual meeting attendee, said she intends to include in the proxy a proposal to limit the term of outside (non-GM-employes) directors to seven years and that she, too, believes it is essential that the directors be present for the question-and-answer periods.

"This is shaping up as probably the stockholder meeting of the year," she said. "All we want is a normal meeting."

John W. McNulty, GM vice president — Public Relations Staff, said the corporation is trying the new annual meeting arrangement not to avoid shareholder questions but rather to be able to answer more questions.

McNulty said that since GM began holding its shareholder forums in 1978, it has invited more than 314,000 shareholders

Continued on Page 33, Col. 1

Chrysler Town & Country rolls

Production of Chrysler Town & Country wagons began at the Newark Assembly Plant last Tuesday (Feb. 23). The station wagon, which will be marketed under the Chrysler LeBaron nameplate, will account for about 15 percent of the plant's daily rate, according to plant manager G. B. Ruiter. The plant currently builds 796 cars a day on two eight-hour shifts.

Chevrolet loses domestic lead for 1st time since 1970

Oldsmobile tops in sales per dealer

Continued from Page 1

from 251; Buick edged ahead to 244 from 239; Cadillac went to 144 from 133; Plymouth soared to 129 from 97; Mercury rose to 127 from 117; Dodge climbed to 126 from 108, and Imperial went to 11 sales per outlet from 6 a year earlier.

In the make standings, Oldsmobile took over first place from Chevrolet. Buick held onto the third spot, while newcomer Volkswagen snatched fourth place from Ford (which was first back in 1970). Pontiac slipped back to sixth, Cadillac was seventh, Plymouth leaped over Dodge and Mercury to eighth, followed by Mercury, Dodge, and AMC. Lincoln moved ahead of Chrysler and took 11th place, and Imperial brought up the rear.

SALES PER OUTLET BY MAKE

Sales per U. S. new-cer franchise

	1981	1980	1979	1978	1977	1976	1975	1974	1973	1972
Oldsmobile	263	251	286	302	294	272	192	158	241	208
Chevrolet	259	303	364	394	381	350	302	332	408	352
Buick	244	239	234	256	245	244	171	141	224	198
Volkswagen*	241	—	—	—	—	—	—	—	—	—
Ford	197	204	269	326	335	308	276	318	380	345
Pontiac	179	195	241	277	249	233	155	151	244	204
Cadillac	144	133	193	215	207	190	166	138	178	150
Plymouth	129	97	110	133	143	174	127	176	216	187
Mercury	127	117	172	195	172	143	119	117	145	133
Dodge	126	108	133	158	162	166	117	149	186	166
AMC	85	88	97	105	112	140	177	176	205	141
Lincoln	43	45	80	115	112	76	62	56	76	60
Chrysler	35	50	76	89	96	86	70	36	51	52
Imperial†	11	6	—	—	—	—	—	—	—	—

*—VW was counted as an import before 1981.
†—Imperial was not marketed as an individual make during the 1970s. It was part of the Chrysler line from 1971 to 1975.

The VW Rabbit was a shoo-in for top average nameplate in 1981. VW dealers sold an average of 160 Rabbits each during the year. It was followed by standard Cadillac at 87, Oldsmobile Cutlass Supreme at 83, Plymouth Reliant/Volare at 78 and Buick Regal coupe at 71.

Sixth was Buick Skylark at 68, followed by Chevrolet Chevette at 63, Dodge Aries/Aspen at 62, Oldsmobile Cutlass sedan at 58 and Ford Escort at 57.

A year ago the top ten nameplates in sales per dealer were: Oldsmobile Cutlass Supreme (79), standard Cadillac (78), Buick Regal coupe (66), Chevrolet Citation (65), Chevrolet Chevette (65), Oldsmobile Cutlass sedan (65), Buick Skylark (58), Ford Fairmont (54), Plymouth Horizon (51) and Buick Century (49).

• In market class categories, the VW Rabbit was top-average subcompact with its 160 figure. Second was Chevette at 63 followed by Ford Escort at 57. A year ago the top three were Chevette, Horizon and Dodge Omni.

Reliant/Volare aced out the competition among compact nameplates, with a 78-per-dealer average. Second was Skylark at 68, with Aries/Aspen third at 62. In 1980, the top three were Citation, Skylark and Ford Fairmont.

Cutlass Supreme again was the top intermediate, followed by Regal coupe and Cutlass sedan. These mirrored their 1980 rankings.

In the standard-size category Oldsmobile 88 took firm hold of first place, with standard Chevrolet second and Buick LeSabre moving into third. The previous calendar year, it was Olds 88 and Chevrolet tied for first, followed by standard Pontiac and LeSabre.

Cadillac (Fleetwood and DeVille) was best-average luxury nameplate with 87 per dealer, followed by Cadillac Eldorado at 34 and Lincoln Mark VI at 21. They retained their 1980 rankings, as well.

UAW council plans to meet on resuming talks with GM

Continued from Page 3

when he spoke at the Chicago Auto Show in late February.

Any resumption of negotiations with GM would require a meeting of the UAW's Council and a clear mandate from the membership, Fraser said.

Meanwhile, Ford Chairman Philip Caldwell said March 1 (the day of the new contract signing) is "a day we should all remember as a beginning of a new beginning at Ford Motor Co."

He said the union and the company have "found a way to deal with each other in a spirit of cooperation not confrontation" and indicated there may come a time when there aren't any sides at the bargaining table.

The new Ford-UAW contract is based substantially on the good faith of both parties and is the beginning of a more trusting era of labor relations, according to both Ford and UAW officials. Much of the pact is loosely worded, giving both parties flexibility. According to Caldwell, the company will demonstrate that "this contract is truly a living document."

One item that will be discussed jointly during the 31-month pact is the high cost of insurance. Both parties will work to lower that price, sources say.

The new agreement gives high-seniority workers guaranteed income if they are laid off and provides a 24-month moratorium on plant closings related to outsourcing.

J2000 pep, Firebird price to get Pontiac ad attention

By Joseph Bohn
Marketing Editor

Pontiac will reintroduce its J-car in a new higher-performance version and it is running new price ads on the base Firebird in an attempt to broaden the spectrum of buyers.

At the same time, Pontiac will sustain regular advertising on Firebird, notably Trans Am, and the 6000 line, as the major focus of its spring effort.

No special value package models or spring incentive program for sales people is being offered, according to James Graham, director of merchandising.

Graham said Pontiac's reintroduction of the J2000 will begin in May with the advent of the new overhead-cam fuel-injected engine (OHC-EFI).

The engine answers critics of J2000, who complained about low-end torque.

"Economy gets a new kick" is the most probable headline for the new ads, Graham said, among several currently being tested.

"J2000. OHC - EFI (engine). Now, the excitement really begins," is the signature of the ads.

"We're trying to overcome initial complaints about the J-2000 being lazy on the low end," Graham said.

"The new engine is dynamite. It's not up there with the crossfire V-8 for Trans Am, but it is a pleasing car," he said, adding that the hatchback will probably be featured in the ads.

As part of its "fairly extensive" campaign on J2000, "We'll be converting a great deal of (already purchased) ad time and space," rather than increasing previous spending plans, Graham said.

"We'll run fairly heavy in May and June. Then, of course, we'll be into buildout. Our schedule lightens up a lot going into July and August," he said of the overall divisional effort.

A new commercial, breaking this week on Firebird, features the base model at a "surprisingly affordable price," Graham said.

The $7,996 base-priced model is featured in an ad that highlights "a great looking lady (successful career woman) popping out the door" rather than the macho mustached man in Trans Am ads.

D'Arcy MacManus & Masius, Bloomfield Hills, Mich., is Pontiac's agency.

Crowds jampack robot show; VW and GE sign deal

Continued from Page 1

will have sales of $3 billion a year by 1991.

The agreement with VW is for a five-year exchange of technologies and puts five material-handling robots in GE's stable. Five-year exclusivity is given for any modifications and improvements that at least reach the prototype stage, Mirabal said.

Between GE and VW, there are about 700 robots at work in factory situations. That brings practical experience into the picture, he said.

Simply put, VW has the robots and GE has the drives, controls and sensors.

Mirabal said the technology agreement might extend further into the factory automation field.

Among new robots introduced at the show were entries from such high-technology firms as Bendix, Westinghouse, GE and IBM.

The show included some 100 robots at work, going through their paces for the 12,000 attending the three-day event.

Some 80 authorities in the world of robots made technical presentations in 20 sessions and special forums.

Inventor sues three makers on wiper system

DETROIT. — Patent-infringement suits against Chrysler Corp., Volkswagenwerk and Audi NSU Auto Union were filed in federal court here last week by Robert W. Kearns.

Kearns, who holds 20 patents on intermittent windshield wiper systems, charges in the suits that systems used by these companies infringe on his patents.

The suits ask that the three firms be enjoined from making or selling cars with systems Kearns says are infringing. Kearns, an inventor and retired professor of engineering at Wayne State University, seeks to manufacture the system for sale to the auto industry.

He also has suits pending against Ford Motor Co., Daimler-Benz and Porsche.

2,185,489 tallies are down 11.8 percent from previous year

'81 registrations sink to 10-year low

Registrations of new trucks of all types in the U. S. in 1981 were the lowest in 10 years, and it marked the third year in a row that tallies have receded after reaching the alltime high in 1978.

R. L. Polk & Co. reported 2,185,489 new-truck registrations last year in 49 of the 50 states which release these figures, a decline of 11.8 percent from the year-earlier 2,476,777 and only 9.6 percent higher than the 1,993,186 units registered in 1971, the low point in the last decade.

In 1978, a record 3,963,340 new trucks were registered in the U. S. Heavy trucks reached their peak in 1979 with a total of 213,174 tallies. Since 1971, total U. S. truck registrations have topped the two-million mark five times and the three-million mark on five occasions.

Last year, registrations were down in all three market segments and seven of the eight

Table on Page 16.

weight classifications. But the count for non-captive Japanese compact pickups was slightly higher than the 1980 total.

During the year, 1,970,114 light trucks were tallied, a drop of 11.1 percent below the previous year's 2,217,085.

• Group 3 was the only one of the three light-truck classifications to show an increase in 1981. The count was 54.7 percent higher than the previous year, 12,491 versus 8,076, and reflected growing strength in the leisure-vehicle market.

In Group 1, the decline was tempered by the rise in sales of both the imported and domestic compact pickups. There were 1,994,006 registrations, a decline of only 3.3 percent from the previous year's 1,130,942 units.

The Group 2 total, which has been falling steadily since the sharp increase in fuel prices early in 1979, was down 19.9 percent from the 1980 figures, 863,617 versus 1,078,067. Some growth in 1982 is anticipated with a resurgence in demand for recreation vehicles and van conversions.

The non-captive imported compact pickups had 317,247 registrations last year, an increase of 6.4 percent over the previous year's 294,224.

Group 1 imports were up 6.4 percent, from 294,199 in 1980 to 312,913. There were 4,333 Group 2 tallies during the year, versus 14 in 1980. In the previous year, there were 11 Group 3 imported pickup registrations. In 1980, there was only one.

• All three medium truck groups suffered significant downturns in 1981, and prospects for a meaningful upturn in 1982 are not bright. Only 54,031 medium units were registered in 1981, down 18.5 percent from the year-earlier 66,282.

Group 6, the largest medium weight class, was off 18.5 percent last year, dropping from 63,790 tallies in 1980 to 52,197. The Group 5 total of 1,823 units was down 20.4 percent from the previous year's 2,289. Only 11 Group 4 trucks were registered in 1981, down 94.6 percent from the 203 tallied in 1980.

There were 161,344 heavy-truck registrations in 1981, a decline of 16.6 percent from the previous year's 193,410. Group 7 was off 17.4 percent, from a record 79,719 units in 1980 to 65,872. The Group 8 count of 95,472 tallies was 16 percent lower than the year-earlier 113,691 units.

Ford was No. 1 in total truck registrations in 1981 for the fifth consecutive year, topping runnerup Chevrolet by almost 50,000 units. Ford had 697,213 tallies during the year, compared with 650,460 for Chevrolet.

Volvo was the only nameplate to show an increase in unit registrations in 1981, rising from 1,008 in 1980 to 1,644.

The miscellaneous group,

Continued on Page 35, Col. 1

'81 registrations of heavy trucks lowest since 1977

Registrations of new heavy trucks in the U. S. in 1981 dropped 16.6 percent to 161,344 units, compared with 193,410 in 1980, according to R. L. Polk & Co. statistics.

The 1981 total was the lowest since 1977, when 154,435 Groups 7 and 8 new vehicles were registered. The alltime high was reached in 1979 with a total of 213,174 units.

Heavy-trucks tallied in the final month of 1981, however, were down only 4.4 percent to 14,339 units, compared with 15,005 in December, 1980.

Registrations were weaker last year in both heavy-truck classifications. The Group 8 count in 1981 was 95,472 units, down 16 percent from the year-earlier 113,691. There were 65,872 Group 7 tallies, off 17.4 percent from the 79,719 vehicles registered in 1980.

Although seven nameplates and the miscellaneous groups had a gain in percentage share of total 1981 tallies, Internation-

Continued on Page 35, Col. 1

U. S. TRUCK REGISTRATIONS

12 months, 1981 vs. 1980★

Based on R. L. Polk & Co. statistical report

Make	12 mos., 1981	Percent Share of '81 market	12 mos., 1980	Percent Share of '80 market	Pct. pt. Change, '81-'80
Ford	697,213	31.90	784,132	31.66	+ 0.24
Chevrolet	650,460	29.76	737,788	29.79	— 0.03
Dodge	166,363	7.61	228,500	9.23	— 1.62
GMC	160,703	7.35	181,252	7.32	+ 0.03
International	61,792	2.83	74,484	3.01	— 0.18
Jeep	58,257	2.67	81,923	3.31	— 0.64
Mack	19,698	0.90	21,743	0.88	+ 0.02
Plymouth*	14,976	0.69	28,329	1.14	— 0.45
Kenworth	10,379	0.47	11,163	0.45	+ 0.02
Freightliner	9,095	0.42	10,465	0.42	.....
Peterbilt	6,654	0.30	7,008	0.28	+ 0.02
White	2,857	0.13	4,974	0.20	— 0.07
Volvo	1,644	0.08	1,008	0.04	+ 0.04
Autocar	1,125	0.05	1,550	0.06	— 0.01
Western Star	780	0.04	1,140	0.05	— 0.01
Diamond Reo	88	.....	95	.....	.....
Misc.**	323,405	14.80	301,223	12.16	+ 2.64
TOTALS	2,185,489	100.00	2,476,777	100.00	.....

★—No registrations for Oklahoma, 1981 and 1980.
* Plymouth trucks are Trail Duster, Voyager and Arrow.
** Miscellaneous includes imports, Mercedes, Crane Carrier, Oshkosh, FWD, Hendrickson, etc.

U. S. HEAVY DUTY REGISTRATIONS

12 months, 1981 vs. 1980★

Based on R. L. Polk & Co. statistical report

Make	12 mos., 1981	Percent Share of '81 market	12 mos., 1980	Percent Share of '80 market	Pct. pt. Change, '81-'80
International	40,539	25.13	40,180	20.78	+ 4.35
Ford	34,058	21.11	46,199	23.89	— 2.78
GMC	22,578	13.99	29,058	15.02	— 1.03
Mack	18,148	11.25	21,055	10.89	+ 0.36
Kenworth	10,379	6.43	11,163	5.77	+ 0.66
Chevrolet	10,216	6.33	16,016	8.28	— 1.95
Freightliner	9,095	5.64	10,465	5.41	+ 0.23
Peterbilt	6,654	4.12	7,008	3.62	+ 0.50
White	2,857	1.77	4,974	2.57	— 0.80
Volvo	1,629	1.01	1,006	0.52	+ 0.49
Autocar	1,125	0.70	1,550	0.80	— 0.10
Western Star	780	0.48	1,140	0.59	— 0.11
Diamond Reo	88	0.06	95	0.05	+ 0.01
Misc.	3,198	1.98	3,501	1.81	+ 0.17
TOTALS	161,344	100.00	193,410	100.00	.....

★—Groups 7 and 8 trucks only; no registrations for Oklahoma, 1981 and 1980.

recreation on wheels

Gains achieved by all types of units

'81 RV shipments rose 31.8 pct. despite slump

Despite the sluggish economy throughout 1981, shipments of recreational vehicles from manufacturers to their dealers in the U. S. were 31.8 percent higher than the previous year, with increases in all product categories.

The Recreation Vehicle Manufacturers Assn. reported that its members delivered approximately 239,100 units of all types to retailers during the last year, compared with 181,400 in 1980.

The Index of Consumer Sentiment in the December survey was 64.3, reversing part of the November decline (62.5) and indicating the presence of offsetting trends, an RVIA spokesman said.

"Concern over rising interest rates and inflation dropped considerably during the three previous months, only to be replaced by the concern for spreading unemployment," he added.

Multi-use vehicles led the way in 1981 with 99,800 units, an increase of 39.8 percent over the year-earlier 71,400.

RVIA defines a multi-use vehicle as one designed for the transportation of people and/or property, and altered by the RV manufacturer for esthetic or decorative purposes.

These changes may include windows, carpeting, paneling, seats, sofas and a variety of accessories. The multi-use van conversion is an example of this type of vehicle.

• Shipments of all towable RVs were up 27.6 percent in 1981, and were the only type of vehicles to exceed the 100,000 mark. There were about 103,900 deliveries during the year, compared with 81,400 the previous year.

Travel trailers, including the fifth-wheel models, accounted for almost two-thirds of the shipments of towable units. During the year, 63,800 units were delivered by manufacturers, an increase of 22.9 percent over the year-earlier 51,900.

Folding camping trailers, the smallest and least expensive units, were up 42.9 percent, from 24,500 in 1980 to 35,000 last year.

With the slowdown in the economy and the drop in discretionary income, the fold-down trailer is considered by many in the industry to be the ideal RV-lifestyle entry for young families.

For many years, the slide-in truck camper has been declining in popularity, but shipments were slightly higher in 1981. Manufacturers shipped about 5,100 units during the year, an advance of 2 percent over the year-earlier 5,000.

Shipments of all types of motor homes were up 23.8 percent in 1981 to approximately 35,400 units, compared with the previous year's 28,600.

Conventional motor homes (Type A) rose 46 percent during the year, from 9,800 units in

Continued on Page 35, Col. 1

Coachmen ends 1981 in the black; sales rise 64 pct.

MIDDLEBURY, Ind.—Coachmen Industries, Inc., has announced that in spite of continuing uncertainty in the economy, the company registered a significant increase in sales and returned to profitability in 1981.

Net income for the calendar year was $2,094,614, compared with a loss of $7,582,175 the previous year. The results were accomplished on net sales of $205,510,117, an increase of 64 percent over the $125,304,885 reported in 1980.

Thomas H. Corson, chairman and chief executive officer, said the turnaround "brought to fruition the hard work and sacrifices made during the difficult years of 1979 and 1980. While there may still be a few clouds on the horizon, we are confident the worst is over."

Sales of Coachmen's principal business, recreational vehicles, were up 45 percent in 1981.

Corson attributed this increase to an overall improvement in the RV market along with "an increase in the market share for our companies. Even though the fourth quarter was negatively impacted by deep-

Continued on Page 35, Col. 5

RV sales exceed expectations at Chicago show

ARLINGTON HEIGHTS, Ill. — Recreation vehicles worth from $2,500 to $60,000 sold at the recent RV Camping and Travel Show held at Arlington Park here.

Bill Kervin, Master Campers, Inc., Palatine, Ill., said the show was more productive than the exhibitors had expected. Held during the last week of January in the midst of Chicago's cold spell and on Super Bowl Sunday, the exhibit was bucking a number of events.

"But attendance was better than it has been in the last three years, and a number of exhibitors had good sales," said Kervin, who also was show manager. "We found a positive attitude among those who want to go camping, and all of the exhibitors were pleased."

Sales were better than exhibitors had anticipated, and Kervin said he knew of at least 18 vehicle sales.

"One of our dealers, Clyde Peaster, Peaster Motor Homes, Wheeling, Ill., has made quite a study of sales of RVs, and he says they are really the leading indicator of what's ahead," Kervin said. "With good sales at this show, we expect a good year ahead."

Lance's downsized fifth-wheeler

Lance Camper Mfg. Corp., North Hollywood, Calif., has introduced this new 19-foot mini fifth-wheel trailer designed for towing by compact pickup trucks. The aerodynamically styled, lightweight unit is offered in two floor-plans.

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Thomas S. Duck, Sr., Tucson, President of UGLY DUCKLING RENT-A-CAR SYSTEM, INC. (First Coast-to-Coast chain including many GM, Ford, AMC & independents) says it is succeeding in elevating the pre-owned rental business from a wrecking yard joke to a respectable "growth-business" of the 80's. Another first for UGLY DUCKLING: Coast-to-Coast one-million dollar liability insurance coverage at 8.5% of days & mileage, plus collision and comp. at $12.00 per month per car for qualified licensees. Toll free reservations and dozens of other firsts. JOIN the LEADER. License and prospectus info. (800) 528-1584; 6801 Camino Principal, Tucson, AZ 85715.

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NEW TRUCK REGISTRATION BY MAKE AND GVW CLASS

12 MONTHS, 1981 VS. 1980★

		Group 1 6,000 pounds and less	Group 2 6,001-10,000	Group 3 10,001-14,000	Group 4 14,001-16,000	Group 5 16,001-19,500	Group 6 19,501-26,000	Group 7 26,001-33,000	Group 8 33,001 and over	Make Totals
AUTOCAR	**Dec. '81**	.....	.....	.....	.....	.....	.....	.....	**79**	**79**
	Dec. '80	.....	.....	.....	.....	.....	.....	.....	129	129
	Year to date '81	.....	.....	.....	.....	.....	.....	.....	**1,125**	**1,125**
	Year to date '80	.....	.....	.....	.....	.....	.....	.....	1,550	1,550
BROCKWAY	**Dec. '81**	.....	.....	.....	.....	.....	.....	.....	.....	.....
	Dec. '80	.....	.....	.....	.....	.....	.....	.....	.....	.....
	Year to date '81	.....	.....	.....	.....	.....	.....	.....	.....	.....
	Year to date '80	.....	.....	.....	.....	.....	.....	.....	.....	.....
CHEVROLET	**Dec. '81**	**29,596**	**24,578**	**700**	.....	**45**	**433**	**543**	**104**	**55,999**
	Dec. '80	29,168	25,804	421	.....	75	1,843	1,084	197	58,592
	Year to date '81	**350,376**	**269,621**	**11,448**	.....	**740**	**8,059**	**8,991**	**1,225**	**650,460**
	Year to date '80	365,766	339,139	1,922	.....	1,378	13,567	13,041	2,975	737,788
(Memo Units) #	**Dec. '81**	**6,909**	**7,262**	.....	.....	.....	.....	.....	.....	**14,171**
	Dec. '80	10,994	6,731	.....	.....	.....	.....	.....	.....	17,725
	Year to date '81	**126,183**	**83,998**	.....	.....	.....	.....	.....	.....	**210,181**
	Year to date '80	164,720	97,545	.....	.....	.....	.....	.....	.....	262,265
DIAMOND REO	**Dec. '81**	.....	.....	.....	.....	.....	.....	.....	**5**	**5**
	Dec. '80	.....	.....	.....	.....	.....	.....	.....	4	4
	Year to date '81	.....	.....	.....	.....	.....	.....	.....	**88**	**88**
	Year to date '80	.....	.....	.....	.....	.....	.....	.....	95	95
DODGE	**Dec. '81**	**9,657**	**6,001**	**12**	.....	.....	.....	.....	.....	**15,670**
	Dec. '80	7,591	8,489	1,274	2	.....	.....	.....	.....	17,356
	Year to date '81	**96,943**	**68,995**	**422**	**3**	.....	.....	.....	.....	**166,363**
	Year to date '80	101,513	121,176	5,618	193	.....	.....	.....	.....	228,500
(Memo Units) #	**Dec. '81**	**5,043**	**4,139**	.....	.....	.....	.....	.....	.....	**9,182**
	Dec. '80	5,071	5,630	1,209	.....	.....	.....	.....	.....	11,910
	Year to date '81	**55,291**	**41,269**	**26**	.....	.....	.....	.....	.....	**96,586**
	Year to date '80	67,817	76,567	3,173	.....	.....	.....	.....	.....	147,557
FORD	**Dec. '81**	**13,333**	**32,769**	.....	.....	.....	**1,145**	**2,106**	**1,083**	**50,436**
	Dec. '80	18,415	38,903	8	.....	.....	1,300	2,249	784	61,659
	Year to date '81	**226,767**	**419,637**	.....	.....	.....	**14,751**	**24,587**	**9,471**	**697,213**
	Year to date '80	247,118	470,054	517	.....	.....	20,244	32,514	13,685	784,132
(Memo Units) #	**Dec. '81**	**5,724**	**11,640**	.....	.....	.....	.....	.....	.....	**17,364**
	Dec. '80	6,564	12,395	.....	.....	.....	.....	.....	.....	18,959
	Year to date '81	**83,795**	**139,938**	.....	.....	.....	.....	.....	.....	**223,733**
	Year to date '80	99,625	153,254	.....	.....	.....	.....	.....	.....	252,879
FREIGHTLINER	**Dec. '81**	.....	.....	.....	.....	.....	.....	.....	**936**	**936**
	Dec. '80	.....	.....	.....	.....	.....	.....	.....	634	634
	Year to date '81	.....	.....	.....	.....	.....	.....	.....	**9,095**	**9,095**
	Year to date '80	.....	.....	.....	.....	.....	.....	.....	10,465	10,465
VOLVO	**Dec. '81**	.....	.....	.....	.....	.....	.....	**63**	**67**	**130**
	Dec. '80	.....	.....	.....	.....	.....	.....	66	74	140
	Year to date '81	.....	.....	.....	.....	**2**	**13**	**898**	**731**	**1,644**
	Year to date '80	.....	.....	.....	.....	.....	2	714	292	1,008
GMC	**Dec. '81**	**4,944**	**6,281**	**155**	.....	**64**	**461**	**1,370**	**1,076**	**14,351**
	Dec. '80	4,619	6,177	.....	.....	81	610	881	877	13,245
	Year to date '81	**57,919**	**72,618**	**619**	.....	**1,065**	**5,904**	**11,408**	**11,170**	**160,703**
	Year to date '80	53,017	88,721	6	.....	886	9,564	13,393	15,665	181,252
(Memo Units) #	**Dec. '81**	**493**	**1,900**	.....	.....	.....	.....	.....	.....	**2,393**
	Dec. '80	690	1,362	.....	.....	.....	.....	.....	.....	2,052
	Year to date '81	**8,203**	**21,493**	.....	.....	.....	.....	.....	.....	**29,696**
	Year to date '80	9,136	23,845	.....	.....	.....	.....	.....	.....	32,981
INTERNATIONAL	**Dec. '81**	.....	**61**	.....	.....	.....	**1,362**	**1,141**	**1,789**	**4,353**
	Dec. '80	.....	1,054	.....	.....	.....	2,107	1,900	1,959	7,020
	Year to date '81	.....	**2,264**	.....	.....	.....	**18,989**	**18,000**	**22,539**	**61,792**
	Year to date '80	.....	17,724	.....	.....	.....	16,580	18,494	21,686	74,484
(Memo Units) #	**Dec. '81**	.....	.....	.....	.....	.....	.....	.....	.....	.....
	Dec. '80	.....	.....	.....	.....	.....	.....	.....	.....	.....
	Year to date '81	.....	.....	.....	.....	.....	.....	.....	.....	.....
	Year to date '80	.....	.....	.....	.....	.....	.....	.....	.....	.....
JEEP	**Dec. '81**	**2,939**	**2,319**	.....	.....	.....	.....	.....	.....	**5,258**
	Dec. '80	3,898	3,143	.....	.....	.....	.....	.....	.....	7,041
	Year to date '81	**36,249**	**22,008**	.....	.....	.....	.....	.....	.....	**58,257**
	Year to date '80	49,710	32,213	.....	.....	.....	.....	.....	.....	81,923
(Memo Units) #	**Dec. '81**	**2,939**	**1,770**	.....	.....	.....	.....	.....	.....	**4,709**
	Dec. '80	3,898	2,348	.....	.....	.....	.....	.....	.....	6,246
	Year to date '81	**36,249**	**16,226**	.....	.....	.....	.....	.....	.....	**52,475**
	Year to date '80	49,710	23,358	.....	.....	.....	.....	.....	.....	73,068
KENWORTH	**Dec. '81**	.....	.....	.....	.....	.....	.....	.....	**796**	**796**
	Dec. '80	.....	.....	.....	.....	.....	.....	.....	795	795
	Year to date '81	.....	.....	.....	.....	.....	.....	.....	**10,379**	**10,379**
	Year to date '80	.....	.....	.....	.....	.....	.....	.....	11,163	11,163
MACK	**Dec. '81**	.....	.....	.....	.....	.....	**177**	**42**	**1,860**	**2,079**
	Dec. '80	.....	.....	.....	.....	.....	99	.....	2,064	2,163
	Year to date '81	.....	.....	.....	.....	.....	**1,550**	**372**	**17,776**	**19,698**
	Year to date '80	.....	.....	.....	.....	.....	688	.....	21,055	21,743
PETERBILT	**Dec. '81**	.....	.....	.....	.....	.....	.....	.....	**666**	**666**
	Dec. '80	.....	.....	.....	.....	.....	.....	.....	552	552
	Year to date '81	.....	.....	.....	.....	.....	.....	.....	**6,654**	**6,654**
	Year to date '80	.....	.....	.....	.....	.....	.....	.....	7,008	7,008
PLYMOUTH	**Dec. '81**	**777**	**457**	.....	.....	.....	.....	.....	.....	**1,234**
	Dec. '80	1,217	515	.....	.....	.....	.....	.....	.....	1,732
	Year to date '81	**10,839**	**4,137**	.....	.....	.....	.....	.....	.....	**14,976**
	Year to date '80	19,619	8,710	.....	.....	.....	.....	.....	.....	28,329
WESTERN STAR	**Dec. '81**	.....	.....	.....	.....	.....	.....	.....	**74**	**74**
	Dec. '80	.....	.....	.....	.....	.....	.....	.....	100	100
	Year to date '81	.....	.....	.....	.....	.....	.....	.....	**780**	**780**
	Year to date '80	.....	.....	.....	.....	.....	.....	.....	1,140	1,140
WHITE	**Dec. '81**	.....	.....	.....	.....	.....	.....	.....	**170**	**170**
	Dec. '80	.....	.....	.....	.....	.....	.....	.....	366	366
	Year to date '81	.....	.....	.....	.....	.....	.....	.....	**2,857**	**2,857**
	Year to date '80	.....	.....	.....	.....	.....	.....	.....	4,974	4,974
MISCELLANEOUS*	**Dec. '81**	**26,467**	**477**	.....	.....	**4**	**253**	**149**	**220**	**27,570**
	Dec. '80	18,808	147	.....	.....	2	298	150	140	19,545
	Year to date '81	**312,913**	**4,337**	**2**	**8**	**16**	**2,931**	**1,616**	**1,582**	**323,405**
	Year to date '80	294,199	330	13	10	25	3,145	1,563	1,938	301,223
TOTALS	**Dec. '81**	**87,713**	**72,943**	**867**	.....	**113**	**3,831**	**5,414**	**8,925**	**179,806**
	Dec. '80	83,716	84,232	1,703	2	158	6,257	6,330	8,675	191,073
	Year to date '81	**1,094,006**	**863,617**	**12,491**	**11**	**1,823**	**52,197**	**65,872**	**95,472**	**2,185,489**
	Year to date '80	1,130,942	1,078,067	8,076	203	2,289	63,790	79,719	113,691	2,476,777

★—No registrations for Oklahoma, 1981 and 1980.

★—Memo units are trucks which are part of the total listed above each entry. Chevrolet memo units are Chevy-Van, El Camino and Blazer; Dodge, compact trucks; Ford, Econoline, Ranchero and Bronco; GMC, Vandura, Jimmy and Sprint; International Scout, Jeep, CJ-5, CJ-6 and Commando. ★Miscellaneous includes imports, Divco, Hendrickson, Oshkosh, etc.

—Compiled from R. L. Polk & Co. data.

Gains achieved by all types of units

'81 RV shipments rose 31.8 pct. despite slump

Continued from Page 14

1980 to 14,300. Chopped vans, including Type C mini, low-profile and compact motor homes, totaled 17,300 units in 1981, up 5.5 percent from the year-earlier 16,400.

Van campers (Type B) were 58.3 percent higher than the 1980 count, climbing from 2,400 units in 1980 to 3,800. The Type B unit is a panel van to which the RV manufacturer adds two convenience features, like sleeping, kitchen and toilet facilities.

• In the final month of 1981, manufacturers shipped 14,800 units of all types to dealers, an increase of 5.7 percent over the 14,000 vehicles delivered in December, 1980.

December also marked the 11th consecutive month in which RV shipments exceeded those in comparable months the previous year.

Motor homes were the weakest category in December. The total of all units was 2,100, down 12.5 percent from the year-earlier 2,400. Shipments of van campers, however, doubled during the month, rising from 200 in 1980 to 400.

Shipments of Type A conventional motor homes were down 10 percent in December, dropping from 1,000 in 1980 to 900 units. Chopped vans totaled 800 in the final month, down 33.3 percent from the year-earlier 1,200 units.

Shipments of multi-use vehicles were 11.5 percent higher in December, from 6,100 units in 1980 to 6,800. Total towable-RV deliveries rose to 5,900 units, an increase of 7.3 percent over the previous December's 5,500.

Folding trailers were 15.8 percent higher, from 1,900 units in 1980 to 2,200. Travel trailers totaled 3,500 units, a gain of 6.1 percent over the year-earlier 3,300. Truck campers, on the other hand, slumped 33.3 percent in the final month, from 300 in December, 1980, to only 200 units.

Registrations sink to 10-year low in truck market

Continued from Page 14

which includes the non-captive imports, had the biggest unit gain and increase in penetration during the year.

Its 323,405 tallies accounted for 14.80 percent of the industry total, up 2.64 percentage points from the year-earlier 12.16 percent on 301,223 registrations.

• In the 10-year period since 1971, there have been some dramatic changes in the truck market, especially in the medium and heavy segments.

Registrations of mediums in 1971, for example, were 47 percent higher than the heavy-truck total, 186,602 versus 126,821. All three medium weight classes were far stronger than they are today. In 1971, there were 130,524 Group 6 tallies, 42,297 in Group 5 and 13,781 in Group 4.

The heavy-truck count in 1971 was only 126,821 units, compared with last year's 161,344. The Group 8 total was almost identical, 95,480 in 1971 versus 95,472 last year. Group 7 has more than doubled in size, rising from 31,341 in 1971 to 65,872 last year.

There were almost 300,000 fewer light-truck registrations 10 years ago, 1,970,114 versus 1,679,805.

Then, as now, Group 1 was No. 1 but a little more so, 1,216,390 versus 1,094,006. Group 2 is much stronger today—863,617 in 1981 as against 449,805 then. Group 3 is about the same, 12,491 today versus 13,568.

'81 registrations of heavy trucks lowest since 1977

Continued from Page 14

al and Volvo were the only makes with an increase in unit registrations during the year.

International, dethroned by Ford as the heavy-truck leader in 1980 because of a shortage of vehicles resulting from a six-month UAW strike, regained the lead in 1981 with 40,539 tallies, up slightly from the year-earlier 40,180 units.

In 1981, International registrations accounted for 25.13 percent of the industry total, an increase of 4.35 percentage points over the previous year's 20.78 percent.

Volvo had 1,629 registrations of Group 7 and 8 trucks in 1981, a gain of 62 percent over the year-earlier 1,006 units. Its share of the industry total rose from 0.59 percent in 1980 to 1.01 percent.

Buick Hawk dealers elect new officers

FARGO, N. D.—North Dakota and western Minnesota Buick dealers of the Buick Hawk Dealer Advertising Assn., meeting here, elected three officers to three-year terms.

New officers are Tim Corwin, Tim Corwin Buick, Fargo, N. D., president; Tom Kenville, Thomas Pontiac-Buick-Datsun, Grand Forks, N. D., secretary-treasurer, and Don Frederick, Frederick, Inc., Jamestown, N.D., director.

First electric truck for Dodge

What is believed to be the world's first assembly line commercial vehicle powered by electricity has been unveiled by Karrier Motors in the UK. Known as the Dodge 50, it will be built at the rate of 20 a month alongside conventionally engined models. The power unit was developed in conjunction with Lucas Chloride EV Systems. Karrier is jointly owned by Peugeot SA and Renault Vehicules Industriels, of France.

New-car market in Italy picked up speed in 1981

TURIN. — Italian drivers bought new cars in record numbers last year. The final tally was 1,740,000.

One reason given for the sales surge was that consumers' previous cars were getting too old to repair and maintain with the high prices charged for parts, for mechanics' services and for gasoline.

Fiat sales of 780,000 accounted for 44.85 percent of the market. The company's Lancias and Autobianchis added another 114,000 units, bringing its share to over half — 51.41 percent — of the Italian new-car market.

Imports from various countries combined to take 41 percent of the whole, leaving precious little to the remaining Italian car makers.

Alfa Romeo was down 5,000 units, to 112,500 (6.47 percent of the market), and Innocenti dropped 9,000 units, down to 20,250 (1.16 percent).

With a sharp trend in favor of cars powered by engines 1,300 cc or smaller, Fiat continues to be in a dominant position, while Alfa Romeo has only some of its Alfasud models within the lineup of most popular cars.

Innocenti by all accounts should have done better than the record shows, as the company offers small cars with 1.0-liter engines at very attractive prices, but the launch of the new Mini Metro by BL, coupled with confusion about the future of Innocenti and its products, detracted from sales.

With markets elsewhere in the world suffering significant sales depressions, foreign auto makers have been competing to get a bigger slice of the Italian market. Volkswagen and Ford got the best results, with sales up by 20,000 units, to 92,400 for VW, and Ford, buoyed by Fiesta and Escort, up 15,000 units to 92,638, or 5.33 percent of the market.

BL is winning public favor at a promising pace, according to the Turin report. For the first time in many years, Renault made no progress from its second-place 10 percent of the Italian market.

Banner-breaking performance

Louis E. Lataif, Ford Division general manager, drives a 1982 Ranger pickup through a banner announcing Ford Division's fifth straight calendar year of U. S. truck sales leadership. Ford dealers sold 716,849 units during the year, 41,221 more than the Chevrolet total.

Mexican company formed to build plastic car parts

MEXICO CITY. — The government-owned Diesel Nacional, S.A., an automotive and industrial group, has announced plans for a new joint manufacturing company, Plasticos Automotrices Dina, S.A.

It will produce a wide range of fiberglass-reinforced plastic components and parts for the automotive industry. The new firm plans to invest $21.6 million in its manufacturing facilities, to be built at Ciudad Sahagun, in the state of Hidalgo.

Technology will be supplied under a licensing agreement with the U. S.-based Budd Co., which also operates several plants here that manufacture automotive parts and components.

Articles to be produced by Plasticos Automotrices DINA include chassis parts, instrument panels, transmission covers, truck hoods and interior trim components.

Safety exemptions granted for year to replicar firm

WASHINGTON. — NHTSA has approved several one-year exemptions from safety standards for Shay Motors Corp. (previously known as Model A and Model T Motor Car Reproduction Corp.).

Shay claimed compliance would cause substantial economic hardship.

Earlier, the Model A—a replica of a 1928 Ford Model A roadster—and a similarly-styled pickup truck had been granted relief three times from all or parts of seven standards.

Shay, while able to meet three standards, recently requested one-year exemptions from standards covering head restraints (202), impact protection from the steering control system (203), side door strength (214) and fuel system (301).

The company had made 4,500 Model A's by June 25, 1981.

For its second fiscal year of operation ending March 31, 1980, it had a net loss before taxes of about $300,000, but it turned the corner in its third fiscal year, and reported a net profit of more than $1.4 million.

The company has invested in its second product — the Shay '55 Bird, a replica of the early Thunderbird, and as of July, 1981, had made 500 of them.

Shay said that because of the recession, it has temporarily laid off workers. With the exemptions, it said it hopes to recall some workers and to increase production of the Bird.

Coachmen ends 1981 in the black; sales rise 69 pct.

Continued from Page 14

ened recession, improved consumer confidence and an end to concerns over fuel availability contributed to our improved performance."

Corson said Coachmen's other operations, including pleasure boats and RV parts and accessories, enjoyed similar sales growth during the year. In addition, he added, Marlette Homes, the company's manufactured-housing segment "contributed significantly to the sales increase" after its acquisition last April.

"We expect that 1982 will generate its share of challenges as our country continues through this turbulent period of economic adjustment," Corson continued. "We see many positive signs in the marketplace.

"Dealer inventories remain at low levels and early retail-show activity for RVs indicates good demand for spring delivery," he observed. "Further, we maintain our optimism about the long-term growth of the manufactured-housing business. Overall, we expect to continue the improvement in sales and earnings begun in 1981."

May new sales manager

ST. LOUIS. — Walter May has been appointed sales manager, heavy-duty products, for the Aftermarket Division, McQuay-Norris, Inc., with responsibility for all activities for antifriction bearings and seals to Class Six, Seven and Eight truck parts distributors. He formerly was heavy-duty marketing manager for Wagner Electric Co.

Ad campaign in works; dealer complaints sought

CASA steps up delete-radio battle

WASHINGTON. — The Custom Automotive Sound Assn. (CASA) is calling on dealers to voice their complaints about factory coercion to buy CE radios and is working on an advertising campaign to tell consumers that delete options are available for radios.

"There are subtle ways the zone reps tie the availability of cars, service contracts and other dealer needs to the sales of factory radios," said James Cole, vice president of Southern Auto Sound and a CASA vice president.

"Many dealers are not well enough acquainted with the profit incentives and advantages of independent brands of radios," said Steven White, White Automotive Service.

"Don't hesitate to emphasize that the independents are the dealer's friends; the factory is not, and it cannot enhance the dealer's profit like the independents can," White added. "The industry will not see relief until we influence new-car dealers to complain about the pressure to buy factory radios."

The aftermarket automotive sound equipment industry has improved its competitive stand with the domestic and foreign car manufacturers during the past six months, according to CASA.

CASA officials said the industry is in a better position now to compete with Detroit because the factories can't sell the cars loaded with options. They have been forced by CASA to hold the line on radio standardization and General Motors has introduced stripped models of its J-cars.

CASA is an association of aftermarket manufacturers which represents the interests of the automotive sound equipment industry.

"Market conditions and CASA's presence in the industry as a watchdog for the independent automotive sound equipment industry have dictated a number of changes in favor of the independents," said Sidney Dickstein, Dickstein, Shapiro & Miro, CASA legal counsel.

• The association has filed lawsuits against GM, Volkswagen of America, Mazda Motors and Toyota charging that the manufacturers violated antitrust laws by making radios standard equipment in their vehicles.

The Mazda lawsuit was filed in January and is pending in a U. S. District Court in Seattle. The other suits were settled out of court, and the auto companies agreed to make radios delete options on many models.

Some of those agreements expire in 1983, but CASA is planning to renegotiate those plans prior to their expiration.

Radio delete options are now offered on more than three million new cars a year, according to Cheryl Hollins, CASA executive director. The association is currently working on a plan to educate new-car buyers about the meaning and availability of the radio delete option.

The essence of the consumer education program, "It's Your Choice," is to tell consumers who purchase any of the 91 models which feature a radio delete option that they may choose a factory installed radio, an independently produced radio available for sale through new-car dealerships or an independently produced radio sold at retail establishments.

CASA will tell buyers about the vehicles and inform them they should receive credit for the deleted radio.

"Literature will outline the advantages of independently produced sound systems as alternatives to factory installed radios as well as address the complex radio installation programs featured by each manufacturer or importer which offers the radio delete option," Hollins said.

"We cannot rely on the vehicle manufacturers to inform the car-buying public about the radio delete option. CASA's consumer education program is one of the most important means by which the independent automotive sound equipment industry can compete with Detroit," she said.

Some of the aftermarket manufacturers have also begun running ads which promote the choice of radios. CASA officials say the retail sector of the automotive sound industry can help expand the market share available to the entire industry by tying in with the consumer education campaign CASA is launching.

Some auto company ads also mention the availability of the radio delete option.

Jake Cash, Texas-Oklahoma Auto Sound, also urged the industry to assist CASA in informing dealers about the significance of General Motors' decision to end its Standard Radio Return Program.

The program allows dealers to remove the deletable standard equipment factory installed radio and return it to the factory for full credit against the dealer's parts account. The program will be terminated as of May 1, 1982.

CASA wants GM dealers to ask that General Motors continue the program beyond May 1.

Termination of the program will deny dealers much of the flexibility they now have in choosing alternative brands of sound equipment from the independents and will result in further erosion of the dealer's profits, CASA said.

According to Thomas Leary, GM general counsel staff, the company will terminate the Standard Radio Return Program on May 1. But, he said it is an option rarely used by dealers and is an administrative hassle.

"We have no sadistic motivation," he said. "Dealers who would like to do business with the aftermarket can take advantage of the delete option program."

Option packages which include a number of accessories sold at a package discount price, are another example of the factories' desire to realize profits that are not necessarily shared by dealers, CASA said.

"Many new car dealers are not aware of the lost profits that the packages represent," Cash said, citing an example of the low margin dealers may make on a package like the Oldsmobile WK7 package.

"If the car remains on the dealer's lot three months, by discounting 10 percent for the floorplan charge, the dealer may make only $8 on a package worth over $500."

Leary said a 10-percent floorplan charge for a quarter would mean a 40 percent interest rate for the year, which is much higher than the GM rate. He said dealers pay below the going interest rate for the first three months of any floor planning.

He said the added interest charge for a $500 option package would be at most $7 for the first three months with slight increases thereafter.

• CASA is also working on delete option agreements for Canada. CASA's agreements and understandings with GM, Chrysler, Toyota, Volkswagen and Subaru do not affect like vehicles sold in Canada. With the exception of about 40 vehicles offered with a radio delete option by Ford Motor of Canada, the delete option is nonexistent in Canada. (Of 91 new models available in the U. S. with a factory or port radio delete option, approximately 52 are sold with standard equipment radios in Canada.)

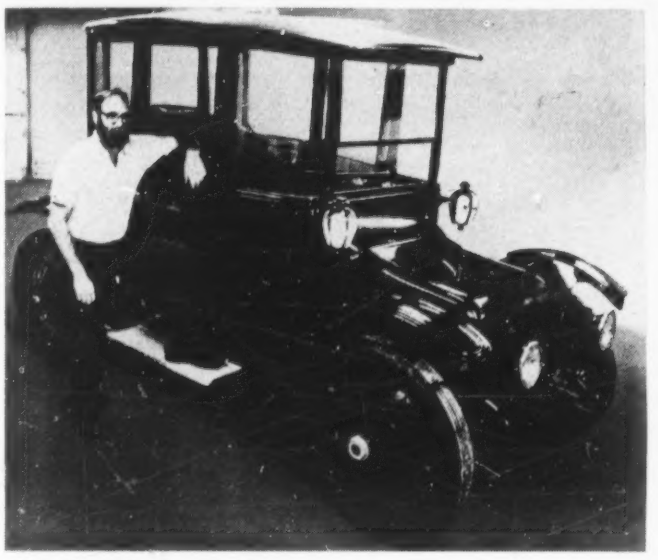
A preliminary investigation of the radio standardization program of General Motors of Canada begun earlier this year by the Canadian government is continuing and should be concluded within a few months, Hollins said.

CASA's 40 Canadian members have been supplying data to the Combines Office, which investigates antitrust matters, to document the decline in radio sales to GM dealers by the independents. CASA claims that GM of Canada is unlawfully monopolizing the automotive sound equipment market through radio standardization.

CASA said attorneys in Canada have reviewed the radio installation program practices of Ford Motor of Canada and have concluded that sales lost to Ford dealers by the independent automotive sound equipment industry have been sufficiently damaging to justify an investigation of Ford's program by Consumer and Corporate Affairs Canada.

While Ford offers a radio delete option on its Ford and Mercury models, it is capturing an increasing share of the sound equipment market in Canada through its radio pricing practices and its mobile installation facilities.

Both Ford and GM of Canada, CASA said, are illegally restraining trade in violation of the Combines Investigation Act, a statute comparable to U. S. antitrust laws.



Aluminum's a survivor

This aluminum-body 1914 Detroit Electric attracted lots of attention at the February Society of Automotive Engineers convention in Detroit. Once owned by General Electric scientist Charles Steinmetz, it was found abandoned in a field in 1964, was subsequently acquired by Union College, Schenectady, N. Y., and restored under the direction of Prof. David Ullman, shown here with it. The aluminum body needed only stripping, local filling and repainting, while steel work had to be replaced and wood framing and interior restored.

14,500 Horizons, Omnis recalled for suspension bolts

DETROIT. — Chrysler Corp. announced it is recalling 14,500 1980 Dodge Omnis and Plymouth Horizons to replace bolts in the front suspension system.

The affected cars were built during a three-week period in 1979, when a shipment of bolts from a supplier had been improperly heat-treated, a company spokesman said.

Chrysler said that under certain conditions, the ball joint attachment bolts may crack.

Hertz puts 20-city average at 47.3 cents a mile

Cost of operating compact soars

NEW YORK. — Average costs to own and run typical new compact-sized cars in 20 key cities soared to 47.3 cents a mile in 1981, 18 percent more than in 1980, and 51 percent more than in 1979, Hertz Corp.'s annual major-city operating expense study showed.

Los Angeles led the nation in high-cost driving for the third year at 57.9 cents a mile, while Detroit was least expensive, 41.9 cents, a 16-cent variation.

The 1980 figure for driving compact cars four years 10,000 miles a year was 40 cents a mile, according to the Hertz analysis, while 1979 expenses were 31.3 cents for all normal driving costs, except garaging and tolls.

The firm's new geographic expense variation estimate again ranks New York City the second-most-expensive area in the nation to own and operate an auto at 56.6 cents a mile. San Francisco, at 56.3 cents, was third, and Miami, 49.7 cents, fourth.

"Continued vehicle purchase price increases coupled with almost prohibitive car-loan interest rates account for most of the overall 24-month rise," the study said.

Average major-city compact-model purchase prices jumped to $7,694 in 1981 from $6,542 in 1980 and $5,136 in 1979. Loan rates went from under 13 percent to over 16 percent in the two years.

The 47.3-cent-a-mile major-city ownership and operating expense average for 1981 compares with the previously reported nationwide average of 44.6 cents, estimated by Hertz in November.

Major-city expenses normally are higher than the nationwide average and also are above suburban and rural outlays, primarily because of usually-greater sales taxes and insurance premiums.

City rankings of Hertz estimated compact car ownership and operating costs

For vehicles purchased new and driven 10,000 miles-per-year for four years

1981 Rank	CITY	Cents Per Mile	1980 Rank	1980 Cents Per Mile	1979 Rank	1979 Cents Per Mile	Percentage Changes 1981-80	1981-79
1.	Los Angeles	57.85	1.	51.07	1.	41.22	13.3	40.3
2.	New York City	56.62	2.	48.10	2.	40.94	17.7	38.3
3.	San Francisco	56.29	3.	46.51	4.	34.43	21.0	63.5
4.	Miami	49.68	4.	41.60	8.	31.02	19.4	60.2
5.	Chicago	48.54	5.	40.36	9.	30.82	20.3	57.5
6.	Seattle	47.60	7.	39.79	6.	31.68	19.6	50.3
7.	Denver	46.56	6.	40.29	3.	34.52	15.6	34.9
8.	Houston	46.53	8.	39.75	7.	31.40	17.1	48.2
9.	St. Louis	46.49	10.	39.00	16.	28.87	19.2	61.0
10.	San Diego	46.37	9.	39.69	17.	28.75	19.8	61.3
11.	Boston	46.34	17.	37.51	13.	29.82	23.5	55.4
12.	Minneapolis	45.91	11.	38.40	5.	32.11	19.6	43.0
13.	Milwaukee	45.85	12.	38.22	10.	30.75	20.0	49.1
14.	Pittsburgh	45.71	15.	37.97	12.	29.88	20.4	53.0
15.	Cleveland	44.97	16.	37.65	18.	27.46	19.4	63.8
16.	Washington	44.63	13.	38.20	11.	30.36	16.8	47.0
17.	Dallas	43.58	14.	38.11	14.	29.23	14.3	49.1
18.	Cincinnati	42.86	19.	35.52	20.	25.41	20.7	68.7
19.	Atlanta	42.58	18.	36.17	15.	29.17	17.7	46.0
20.	Detroit	41.95	20.	35.32	19.	27.23	18.8	54.1
	CITY AVERAGE	47.34		39.96		31.25	18.5	51.5
	NATIONAL AVERAGE	44.57		37.74		29.79	18.1	49.6

IMPORT REGISTRATIONS SHARES IN U. S.

	NOVEMBER					ELEVEN MONTHS				
	Regis., Nov., 1981	Percent Share of Market	Regis., Nov., 1980	Percent Share of Market	Pct. Pt. Change '81 vs. '80	Regis., 11 mos., 1981	Percent Share of Market	Regis., 11 mos., 1980	Percent Share of Market	Pct. Pt. Change '81 vs. '80
Toyota	35,114	20.75	38,650	20.69	+ 0.06	525,761	23.39	518,865	22.74	+ 0.65
Datsun	33,597	19.85	35,947	19.24	+ 0.61	417,394	18.57	472,003	20.69	— 2.12
Honda	23,305	13.77	28,786	15.40	— 1.63	338,609	15.07	320,924	14.07	+ 1.00
VW	16,758	9.90	20,303	10.86	— 0.96	214,852	9.56	236,192	10.35	— 0.79
Mazda	12,786	7.56	15,181	8.12	— 0.56	159,618	7.10	143,737	6.30	+ 0.80
Subaru	11,073	6.55	10,995	5.88	+ 0.67	131,450	5.85	115,105	5.05	+ 0.80
Volvo	4,823	2.85	4,953	2.65	+ 0.20	59,343	2.64	49,999	2.19	+ 0.45
M-B	4,777	2.82	3,905	2.09	+ 0.73	53,501	2.38	.....	.....	.....
Audi	3,808	2.25	3,507	1.88	+ 0.37	43,966	1.96	.....	.....	.....
Colt	3,721	2.20	.....	.....	.....	39,746	1.77	47,335	2.07	— 0.30
Fiesta	.....	.....	5,208	2.79	.....	.....	.....	63,169	2.77	.....
Champ	.....	.....	.....	.....	.....	.....	.....	51,965	2.28	.....
Others	19,465	11.50	19,434	10.40	+ 1.10	263,158	11.71	262,141	11.49	+ 0.22
TOTAL	169,227	.....	186,869	.....	.....	2,247,398	.....	2,281,435	.....	.....
Share of U. S. Total	.....	27.57	.....	25.61	.....	.....	28.70	.....	28.34	.....

Registrations not available for Oklahoma, delayed for Hawaii.

Pinning down a new Granada

Thomas Atlee, of Dallas, won a 1982 Ford Granada GL in a drawing as part of a National Sweepstakes sponsored by Ford Division. Titled "Pin-Point Leasing," the direct-mail program was aimed at prospective vehicle leasing customers. Presenting keys to Atlee (in the car) and Mrs. Atlee is William R. McCreedy, second from right, Ford Division dealer leasing manager. Others are Marvin J. Ellsworth, far left, Ford Dallas district sales manager; Ronald Rothberg, second from left, general manager of Miracle Ford in Dallas, and Philip R. Martin, far right, Dallas district dealer leasing and rental manager.

But November market share tops year ago

Import registrations dip for month

By Jenny L. King
Staff Writer

Registrations of new imported cars dropped in November 1981, compared with the same month a year earlier, but their piece of the shrinking U. S. pie increased to 27.57 percent from 25.61 percent in 1980, according to figures compiled by R. L. Polk & Co.

November import registrations totaled 169,227, down 9.44 percent from 186,869 for the month in 1980. They were down 7.23 percent from the 182,410 recorded in October, 1981. Import penetration in October was 27.88 percent.

Greatest import penetration for the year through November was 30.58 percent in May.

Import registrations for the first 11 months of the year were 2,247,398, down 1.49 percent from 2,281,435 the preceding year. Imports accounted for 28.70 percent of all U. S. new-car registrations for the 11-month period, up from 28.34 percent in 1980.

Toyota regained its place as top import in November, after losing that spot to Datsun in October. Toyota cornered 20.75 percent of the import share, up slightly from 20.69 percent a year earlier. Datsun also was up, to 19.85 percent from 19.24 percent.

Honda was off 1.69 percentage points, to 13.77 percent from 15.40 percent. VW slipped to 9.90 percent from 10.86 percent, and fifth-place Mazda was off slightly, to 7.56 percent from 8.12 percent.

Subaru, Volvo, Mercedes-Benz and Audi increased their presence among the top-10 importers, while Colt joined the list and Fiesta dropped from it.

The top 10 imports accounted for 88.50 percent of the market in November, down from 89.60 for the month a year earlier.

Japanese nameplates captured 74.80 percent of the import market, up from 73.22 percent the preceding year. The Japanese share of the total November market was 20.62 percent, up from 18.75 percent in 1980.

Registrations by country of origin in November were:

	Nov., 1981	Nov., 1980
Japan	126,578	136,818
W. Germany	29,393	36,782
Sweden	5,968	6,118
France	3,929	2,687
Italy	1,882	2,587
Great Britain	924	1,877
Ireland	553	——

Registrations by country of origin for the first 11 months of 1981 were:

	11 Mos., 1981	11 Mos., 1980
Japan	1,689,822	1,690,315
W. Germany	391,020	426,693
Sweden	71,815	61,908
France	41,497	32,696
Italy	34,446	39,873
Great Britain	17,010	29,942
Ireland	1,788	——
Other	——	8

Registrations of imported trucks in November totaled 36,392, down 5.59 percent from 38,548 a year earlier. Numbers of imported trucks during the month were as follows:

	Nov., 1981	Nov., 1980
Toyota	9,936	7,703
Datsun	8,961	7,574
Ford Courier	5,023	5,285
Volkswagen	3,445	——
Chevrolet LUV	——	8,677
Others	9,027	9,309

The truck import total for the first 11 months of 1981 was 448,502, down 8.42 percent from 489,736 in 1980. Registrations were:

	11 Mos., 1981	11 Mos., 1980
Toyota	119,614	125,359
Datsun	103,265	101,322
Chevrolet LUV	60,062	80,996
Ford Courier	58,690	69,489
Others	106,871	112,570

Stockholders OK merger of Sealed Power, Kent-Moore

MUSKEGON, Mich. — Stockholders of Sealed Power Corp. and Kent-Moore Corp. have approved the merger of Kent-Moore into a wholly owned subsidiary of Sealed Power.

The merger was the final step in Sealed Power's acquisition of Kent-Moore for cash and stock valued at approximately $72 million.

In late 1981, Sealed Power acquired 720,803 shares, or 38.6 percent, of Kent-Moore's common stock through a cash offer of $38 per share.

In the merger approved at the stockholder meetings, each share of Kent-Moore common stock not owned by Sealed Power was converted into 1.22 shares of Sealed Power common stock. This resulted in an exchange of 1,398,891 shares of Sealed Power for the remaining 1,146,632 shares of Kent-Moore.

Sealed Power is a manufacturer and distributor of parts and components to the worldwide automotive original equipment and replacement markets. It had sales of $257.9 million and net income of $11.8 million in the year ended Dec. 31, 1980.

Kent-Moore, headquartered in Warren, Mich., manufactures and markets specialized service tools, equipment and diagnostic instrumentation for the transportation and other industries. It also manufactures special purpose equipment, heavy stampings and weldments, fasteners, open die forgings and press plates for various applications.

Sales for its fiscal year ended March 31, 1981, were $77.7 million and net income totaled $5.3 million.

Renault tries four-wheel-drive—successfully

An experimental Renault 20 sedan, complete with turbocharged engine and four-wheel-drive, won the 6,000 miles-plus Paris-Dakar Rally. World attention, however, was focused on the temporarily lost son of British Prime Minister Margaret Thatcher, later found safe.

Testa appointed

TRUMBULL, Conn. — Donald J. Testa has been named vice president of sales for the Aftermarket Division of Raybestos-Manhattan, Inc.

Speedometer-odometer rules on the way out; petitions due

WASHINGTON. — Within a month, the federal safety standard covering speedometers and odometers will be revoked, and petitions for reconsideration must be filed 30 days after the revocation.

In line with a promise made last October, NHTSA head Raymond A. Peck ruled Standard 127 has no significant relationship to safety.

One concern raised by General Motors and Renault is that states might set their own, differing, requirements.

In this instance, NHTSA said it intends to preempt state and local action on the theory that such regulation would not be appropriate and would undermine the congressional goal of uniform safety standards.

Peck also said local regulation might hamper voluntary features offered by some makers. NHTSA plans to monitor these efforts.

The speedometer requirements involved highlighting 55 MPH, listing a maximum speed capability and using both miles and kilometers.

Companies which used 85 MPH for their maximum are American Motors, Chrysler Corp., Ford Motor Co., General Motors, Mack, Renault, Subaru, Volvo and White Truck.

Honda said it will show the maximum capability of its vehicles. Many makers — including Ford, GM and Honda, will continue to highlight 55 MPH.

The odometer requirements were intended to limit tampering on the theory that buyers who knew the correct age of a vehicle might be better informed of its safety.

Vehicle makers unanimously supported the revocation. Wisconsin and the Center for Automotive Safety supported the standard in filings.

NHTSA said that while the odometer reading may influence preventive maintenance schedules, other factors may be more important to safety.

Revoking the odometer standard should result in a small consumer savings — $12 million a year — because cheaper units will be used by all makers, although some will provide anti-tampering equipment, Peck said.

The champ chooses Saab

Former world motor racing champion Alan Jones, of Australia, has signed a three-year promotional deal with Saab-Scania Australia Pty. Here he receives the keys to his new five-door Turbo from Stan Hansson, left, general manager of the importing division in Australia.

New format draws criticism

GM planning to split shareholder meeting

Continued from Page 6

to attend 52 forums in 41 U. S. and two Canadian cities. Some 32,000 shareholders and guests have attended.

"That's more than have attended the last 18 annual meetings," McNulty said.

"At the forums, every shareholder gets his questions answered, unlike the annual meetings," he said. "Those who don't have their questions answered at the forum itself are answered in a personal letter."

McNulty called the shareholder forums "one of the most innovative ideas in corporate stockholder relations."

He said that 82.5 percent of the forum attendees who filled out evaluation forms after the forums rated them as "good or very good."

He acknowledged that there might be some traditional annual meeting attendees who will dislike the new arrangement but said he believes stockholders who genuinely want information will find the shareholder forum arrangement beneficial.

"Annual meetings today are turning into a travesty," McNulty said.

• Ralph Nader said the change "reflects on the character" of GM Chairman Roger B. Smith and President F. James McDonald "that they can't take facing shareholder questions for a couple of hours a year."

Nader said he believes the protests at the 1981 annual meeting over the razing of parts of Poletown in Hamtramck, Mich., to build a new GM plant was the final factor which influenced the decision.

He said GM can tolerate traditional shareholder advocates like Gilbert and even a "Campaign GM once in a while" but that since community groups have learned the only way "to question corporate monarchs" is to buy stock and attend annual meetings, GM has decided to change the rules.

It was Campaign GM, in which Nader was actively involved, which tried to "reform" GM in the early 1970s. The 1971 annual meeting, which Nader attended, was the longest in recent GM corporate history. It lasted six hours and 55 minutes and was attended by 1,851 shareholders.

Last year's meeting lasted four hours and 46 minutes and was attended by 913 shareholders.

Nader said he believes the GM move will force corporate critics into more proxy action and Securities and Exchange Commission procedural work as well as breed more conflict between GM and its shareholders and further isolate Smith and McDonald from the shareholders.

Other shareholder forums scheduled for 1982 include Oklahoma City on April 8; Chicago, April 13; Cincinnati, April 23; Cleveland, May 4, and Boston, May 12.

McNulty said GM will poll the Detroit meeting and forum attendees to see if they like the new arrangement.

GM engine-switch case appears to be over, but . . .

The General Motors engine switch case in Chicago appears to be completed with GM the winner. But, in that case, appearances can be—and usually are—deceiving.

Federal Judge Frank McGarr has set aside a jury verdict that awarded $5.8 million to buyers of 1977 Oldsmobiles with engines made by Chevrolet.

The set-aside ruling was expected because earlier a GM appeal was upheld and another class action suit was dismissed.

Courts have been narrowing sharply and making very rigid the definition of what constitutes a warranty.

The engine switch case was brought under the Magnuson-Moss Warranty Act. Lawyers for the car buyers claimed that, by switching engines, GM breached warranties. Those warranties were included in ads, posters, sales brochures, commercials, salesmen's pitches and so forth.

The courts have ruled that only the document, the written warranty, counts.

In his latest ruling, Judge McGarr followed that route.

Earlier, he had divided the litigants into two groups, those who bought cars before April 10, 1977 — some 10,688 — and those who bought them after April 10—some 39,000.

Members of the larger, post-April 10 group, got nothing as a result of engine switching except what GM provided under a broad customer satisfaction program it instituted early on in the Chevymobile furor.

The smaller, pre-April 10 group, was awarded $5.8 million, or $550 each.

In the latest action, Judge McGarr set aside the $5.8 million award.

A new sweater for Fraser; a recruit for UAW?

DEARBORN. — Ford Chairman Philip Caldwell presented UAW President Douglas A. Fraser with an Australian wool red sweater complete with a blue Ford logo during the signing of the new Ford/UAW agreement.

The gift stemmed from Fraser's wearing a red sweater to the first day of bargaining which caused a Ford bargainer to quip, "that's the color of our balance sheet." The new contract will save Ford about $1 billion over its 31-month-life.

Caldwell also warned Fraser that his (Fraser's) job might be in danger. Caldwell said his daughter, Desiree Armitage, is studying at Harvard Business School and was named the union leader when her human resources class divided up to negotiate a contract. To that Fraser replied, "that only proves she is smarter than her father."

She got more money out of the company than any other team, Caldwell told Fraser.

Dealers pitch in to help ignite car-truck sales

Continued from Page 2

arron sales were up 53.8 percent over the Jan. 11-31 pre-rebate period.

Cadillac said days' supply of both lines also dropped sharply. Seville dropped from 67 days on Jan. 31 to 32 days on Feb. 20. Cimarron was down from 159 days to 93 days on Feb. 20.

Meanwhile, San Francisco serves as a scenic backdrop for specially created Cadillac displays of the Cimarron in brushed aluminum form.

St. Claire Motor Co., Santa Clara, Calif., was the first dealership to receive the new "Cimarron is California" salon backdrop floor display for in-dealership promotion.

The promotional showroom displays were created by Rivercity Group of Sacramento for San Francisco zone and other California area dealers.

A 100-page magazine on how to start and run more than 20 small businesses is being distributed free at more than 1,100 Datsun dealers nationally as part of a special truck promotion.

The publication, "Financial Independence — The Datsun Guide to Bootstrap Businesses," was compiled and published by Mother Earth News in cooperation with Nissan U.S.A.

Along with how-to articles and advice on finance, there are Datsun pickup truck ads, geared to the businesses outlined in the magazine.

The guides will also be available at 12 entrepreneur shows in major cities during 1982.

In Canada, in a demonstration of its appreciation of once-sizeable ad budgets by the auto dealerships, a Montreal radio station, CFQR, has started airing "public service" messages, asking listeners to "take a look at the good car buys available these days."

IMPORTED CAR SALES

	Feb., 1982	Feb., 1981	Two Months 1982	Two Months 1981
Alfa Romeo	103	97	207	152
Audi	3,567	3,416	6,796	6,536
BMW	4,119	2,881	7,211	5,271
Challenger	1,574	1,755	2,616	2,702
Champ	4,265	6,609	7,654	9,523
Colt	4,491	6,743	8,061	9,522
Datsun	35,917	41,372	68,439	74,475
DeLorean	318†	.....	656	.....
Fiat	1,198	2,488	2,106	4,362
Fiesta	.....	6,479	.....	10,401
Honda	30,333	35,202	64,666	67,436
Isuzu	1,125	281	2,239	292
Jaguar	492	270	1,126	556
Lancia	30	91	67	175
Mazda	12,150	18,287	22,046	31,155
Mercedes-Benz	4,720	4,838	9,231	8,935
MG	.....	333	.....	632
Peugeot	1,065	1,127	2,199	2,140
Porsche	966	833	1,795	1,539
Renault	2,425	2,170	4,433	4,939
Rover	.....	57	.....	138
Saab	1,307	1,128	2,455	2,202
Sapporo	1,294	1,757	2,116	2,679
Subaru	12,742	12,018	24,212	23,331
Toyota	40,586	57,985	78,674	105,106
Triumph	.....	578	.....	1,181
Volkswagen	4,970	6,630	9,513	12,151
Volvo	5,504	4,947	12,884	11,236
TOTAL	175,261	220,372	341,402	398,767

†—Estimate

DOMESTIC CAR SALES

	Feb. 21 to Feb. 28, 1982	Same Period, 1981	Feb., 1982	Same Month, 1981	Jan. 1 to Feb. 28, 1982	Same Period, 1981
Spirit	.....	.....	1,791	3,808	3,031	6,811
Concord	.....	.....	2,172	4,599	3,910	8,340
Pacer	.....	.....	.....	20	.....	39
Eagle	.....	.....	3,238	4,316	6,433	8,272
AMERICAN MOTORS*	2,300	4,700	7,201	12,743	13,374	23,462
Horizon	2,330	3,979	5,583	8,479	9,531	14,751
TC3	1,562	2,097	3,593	4,294	6,284	7,033
Reliant/Volare	4,837	6,568	12,041	14,912	21,729	28,827
Plymouth	570	387	1,418	823	2,191	1,202
Total Plymouth	9,299	13,031	22,635	28,508	39,735	51,813
LeBaron	48	1,771	153	3,927	423	8,001
LeBaron K	2,217	.....	5,955	.....	11,153	.....
Cordoba	559	1,315	1,344	2,832	2,510	5,760
New Yorker	1,509	.....	3,803	.....	6,629	.....
Chrysler	.....	641	.....	1,540	.....	3,226
Total Chrysler	4,333	3,727	11,255	8,299	20,715	16,987
Total Imperial	138	224	261	370	470	708
Omni	1,885	2,803	4,490	6,083	7,896	11,059
024	1,644	1,815	3,858	3,648	6,910	6,116
Aries	3,685	4,947	8,856	11,306	17,159	22,468
Dodge 400	701	.....	1,863	.....	3,544	.....
Diplomat	660	1,095	1,707	2,608	3,154	4,992
Mirada/Magnum	230	693	590	1,664	1,222	3,220
Dodge	.....	355	.....	739	.....	1,314
Total Dodge	8,805	11,708	21,364	26,048	39,885	49,169
CHRYSLER CORP.	22,575	28,690	55,515	63,225	100,805	118,677
Pinto	.....	688	.....	2,506	.....	5,337
EXP	1,395	.....	4,442	.....	7,015	.....
Escort	7,879	9,478	28,246	29,256	54,119	50,884
Mustang	3,489	6,198	9,962	14,666	16,732	26,156
Fairmont	3,857	6,330	11,392	15,214	20,076	29,127
Granada	3,142	3,143	10,355	8,215	17,887	15,829
Thunderbird	959	3,088	3,171	7,137	6,456	13,436
Ford	2,944	2,872	8,512	8,595	15,927	16,287
Ford Division	23,665	31,797	76,080	85,589	138,212	157,056
Bobcat	.....	176	.....	639	.....	1,283
LN7	550	.....	1,523	.....	2,505	.....
Lynx	2,547	3,147	9,176	9,074	15,602	15,125
Zephyr	1,285	2,318	3,828	5,380	7,063	9,312
Cougar	1,623	1,281	4,900	3,500	8,103	6,347
XR-7	393	1,161	1,280	2,672	2,452	4,937
Capri	894	1,772	2,528	4,373	4,377	7,479
Mercury	1,564	1,438	4,681	4,529	9,384	8,220
Total Mercury	8,856	11,293	27,916	30,167	49,486	52,703
Cont./Versailles	826	.....	2,939	.....	5,195	.....
Lincoln	942	1,136	2,207	2,450	3,702	4,311
Mark VI	613	1,284	1,790	2,966	3,143	5,071
Total Lincoln	2,381	2,420	6,936	5,416	12,040	9,382
L-M Division	11,237	13,713	34,852	35,583	61,526	62,085
FORD MOTOR	34,902	45,510	110,932	121,172	199,738	219,141
Skyhawk	483	.....	871	.....	871	.....
Skylark	5,287	9,791	16,225	18,943	25,535	33,054
Century FWD	2,108	.....	6,167	.....	9,458	.....
Regal Sedan	1,910	4,100	5,903	9,516	10,847	19,714
Regal Coupe	2,966	9,344	9,455	18,319	18,028	32,252
Le Sabre	2,116	2,352	6,673	5,408	12,966	11,079
Electra	1,259	1,686	4,045	4,023	7,711	8,194
Riviera	917	1,448	2,839	3,290	5,725	6,660
Buick Division	17,046	28,721	52,178	59,505	91,141	110,953
Cimarron	420	.....	1,497	.....	2,482	.....
Seville	630	731	2,313	2,100	3,664	4,353
Cadillac	2,832	3,703	10,135	10,975	20,217	21,269
Eldorado	1,159	1,459	3,768	4,069	7,402	8,116
Cadillac Division	5,041	5,893	17,713	17,144	33,765	33,738
Chevette	6,209	26,225	22,755	47,213	40,482	75,348
Cavalier/Monza	4,043	1,099	13,056	3,563	19,022	9,532
Citation	6,731	16,137	25,740	29,608	43,497	52,683
Camaro	3,281	4,693	9,961	8,751	16,739	15,129
Celebrity	1,898	.....	6,048	.....	8,980	.....
Malibu	2,523	6,173	8,018	15,769	17,764	34,288
Monte Carlo	2,167	8,571	7,196	15,792	15,462	28,275
Chevrolet	4,743	6,543	14,434	15,953	27,824	33,140
Corvette	569	1,120	1,765	2,674	3,548	5,183
Chevrolet Division	32,164	70,561	108,973	139,323	193,318	253,578
Starfire	437	.....	823	.....	824	.....
Omega	2,242	4,138	7,725	9,447	13,589	17,274
Cutlass Ciera	2,308	.....	7,251	.....	11,427	.....
Cutlass	.....	4,963	.....	14,667	.....	32,681
Supreme	6,190	11,087	19,732	24,201	41,159	44,645
Olds 88	3,325	3,720	11,289	11,107	22,225	23,018
Olds 98	1,737	2,017	6,053	6,023	12,641	12,775
Toronado	732	928	2,210	2,695	4,437	5,649
Oldsmobile Division	17,067	26,853	55,083	68,140	106,302	136,042
T-1000	2,100	.....	6,778	.....	11,079	.....
J-2000/Sunbird	1,790	2,776	5,629	7,944	8,745	17,018
Phoenix	2,093	4,515	6,937	8,982	11,337	15,424
Firebird	2,240	2,609	7,102	5,511	12,021	9,814
6000	902	.....	2,803	.....	4,764	.....
Bonneville/LeMans	1,946	1,981	6,032	5,236	11,565	11,623
Grand Prix	1,870	5,970	6,206	12,180	12,712	21,307
Pontiac	250	2,549	949	6,992	2,178	14,679
Pontiac Division	13,191	20,402	42,436	46,845	74,401	89,865
GENERAL MOTORS	84,509	152,430	276,383	330,957	498,927	624,176
VOLKSWAGEN	3,187	6,679	6,911	15,496	12,236	27,969
DOMESTIC TOTAL	147,473	238,009	456,942	543,593	825,080	1,013,425
IMPORT TOTAL	.....	.....	175,261	220,372	341,402	398,767
INDUSTRY TOTAL	.....	.....	632,203	763,965	1,166,482	1,412,192

*—AMC does not have a nameplate breakout for 10-day periods.

He rips Japanese, lauds Ford-UAW pact

'Best of times' are on the way, Lewis tells SAE

By Al Fleming
Industry Editor

DETROIT.—Nearly 125 years ago, Charles Dickens turned the phrase, "It was the best of times, it was the worst of times."

He never drove a car. Or even saw one. He died in 1870.

Eleven days ago, Drew Lewis borrowed the literary genius's words to describe the current state of the U. S. automobile industry.

These are the worst of times, the U. S. Secretary of Transportation told a gathering at the SAE annual meeting in Detroit, because of the "energy impact, inflation and excessive government regulation."

But the best of times are on the way, he asserted, "because under President Reagan we are experiencing a remarkable period of history—a time of government redirection and economic change."

The words of Lewis, a la Dickens, were welcomed by several thousand auto company and auto supplier engineers collected at Cobo Hall to hear the talk by Lewis at the 1982 SAE International Congress & Exposition, a trade show featuring engineering exhibits and seminars.

The dinner crowd applauded Lewis often during his address, particularly when he came down hard on Japanese auto makers, some of whose representatives stirred uneasily in the audience.

"This is the year we expect to reach some accommodation with the Japanese on the issue of trade between our two countries," Lewis declared.

"Reciprocity, which we're hearing a lot about these days, isn't simply a matter of opening the Japanese market to U. S.-built cars," Lewis said. "We may sell a few more cars there, but that's not really the issue.

• "What Commerce Secretary (Malcolm) Baldrige and U. S. Trade Representative Bill Brock have been seeking in their discussions with the Japanese is a new and revitalized trade relationship based on equity — free trade that is also fair trade," he emphasized.

The applause was loud enough to prompt a pause in the Transportation Department official's speech.

But Lewis was only warming up. He alluded to a talk given in Tokyo by Ford Chairman Philip Caldwell, who observed that "everything that goes up a one-way street eventually comes to a dead end."

Said Lewis: "Japan is probably the most restrictive of all our trading partners. While we've allowed them relatively free access to what we might call our 'middle technology' markets—21 percent of our auto market, 65 percent of the U. S. motorcycle market, 46 percent of the radios sold here and 100 percent of the video tape recorder business—Japan is virtually closed to U. S. products in high and low technology areas.

"We're prevented from marketing our computer technology there, and American beef and citrus products, as well as cigarets, are practically forbidden in Japan."

A number of the Japanese seated at the tables around the speaker's podium squirmed, although their faces were expressionless.

• Lewis said that last December, while in Japan, he cautioned the Japanese Minister of Transport that the growing perception of Japan as unfair in its trading practices could lead to protectionist legislation in the U. S. Congress and in other Western countries. A number of such bills have been introduced in Congress.

"We don't believe that's the best way to go," Lewis said, "because it could lead to the dead end Mr. Caldwell was talking about."

Lewis related that his experiences in Japan lead him to believe the Japanese recognize the importance of maintaining good trade relations.

"Without free trade, their industry can't survive, for they would have no markets," he reasoned.

He said Japanese auto makers should consider increasing their investments in the U. S. market: "If they want to sell here, they should buy more American-built parts, extend their investment in U. S. production facilities and provide more jobs for auto workers in this country."

There was a lot of clapping and a long pause by Lewis, who went on to praise the Japanese after almost burying them.

He praised Nissan, Japan's second-biggest auto maker, for investing $500 million in a Smyrna (Tenn.) plant that will employ some 2,600 workers. He lauded Honda for buying eight new $2 million stamping machines for its Marysville (O.) plant from an American firm.

But Lewis demanded: "We want to see further purchases of U. S. parts and equipment by Japanese auto makers who do business in the American market.

"Unless they follow through on this trend, their present actions will be perceived as more cosmetic than substantive."

Lewis acknowledged the further applause of his listeners, and turned to other topics, such as auto company and UAW bargaining.

He said the Administration feels the government ought to stay out of the labor-management collective bargaining process, that "there are limits to what the government can do, there are actions the industry must take on its own behalf."

He called the agreement reached by Ford and the UAW "nothing short of a landmark event in the history of labor-management negotiations in the auto industry."

He predicted the Ford-UAW contract will enable the auto company to compete against the Japanese cost advantage, and suggested it will give General Motors and the auto workers an opportunity to pursue an agreement.

• As for the Reagan Administration's view of the U. S. auto industry, Lewis emphasized, "We're cutting back on regulations."

He pointed out the rescinding of a rule last fall that would have required passive restraints in all new cars sold in the U. S., starting this year.

He said the federal government will soon launch a nationwide campaign to get more people to use seat belts that are in cars today, and that President Reagan will shortly announce the establishment of a commission on drunk driving, aimed at generating public support for state and local drunk driving programs.

Lewis revealed that the Administration is exploring the possibility of alternatives to the current five-mile-per-hour bumper standard, and that a new rule-making procedure will be announced in March.

He estimated that Reagan regulatory reform is saving the auto industry at least $1.5 billion and consumers another $9 billion.

He promised that "as the President's program succeeds, a stronger U. S. auto industry will emerge."

The audience of U. S. automotive engineers applauded happily. Lewis beamed. The Japanese in the crowd showed no outward emotion.

A director of engineering at Ford Motor Co. muttered, "These better be the worst of times, or we're in trouble."

Dodge council officer

Paul G. Beltz, right, owner, Shadeland Dodge, Inc., Indianapolis, has been elected vice chairman, National Dodge Dealer Advisory Council, which represents more than 1,700 Dodge dealers nationwide. He receives a plaque citing his service as council secretary from John B. Naughton Sr., Chrysler Corp. executive vice president—sales and marketing.

Comfort standard for seat belts delayed until '84

WASHINGTON. — The comfort and convenience standard for seat belts—one of the last actions taken by Joan Claybrook as NHTSA chief — has been postopned by her successor, Raymond A. Peck.

The standard will now become effective for '84 models, instead of for 1983s.

The standard was originally set in the expectation that passive restraints would have started to phase in during 1983.

It covered both manual and automatic belts in vehicles weighing less than 10,000 pounds. But it excluded manual belts that were a combination of lap and shoulder belts because it was assumed they would be passive belts.

Peck noted his rescission of the passive restraint standard has changed the situation. A postponement is needed to respond to companies which petitioned for changes or revocation of the standard, he said. The requirements may change substantially for 1984, he said.

Use of seat belts is one of Peck's prime projects. Peck said he is considering changes to encourage their use and to maximize possible technical improvements.

Maryland dealers to meet in Ireland

BALTIMORE.—The Automobile Trade Assn. of Maryland is sponsoring a "spring seminar" for dealers—an offshore meeting in Ireland April 17-24.

Meetings in Ireland will be held in Dublin and Limerick.

Used car sales
Auction Averages

March to date	$4,763
Month ago	$4,904
Year ago	$4,218

Model breakdown
Auction Averages

	MARCH TO DATE	FEB.	JAN.
1982	$7,820	$7,719	$7,432
1981	6,793	6,422	6,435
1980	5,304	5,282	5,144
1979	4,567	4,487	5,184
1978	4,027	3,658	3,633
1977	3,056	2,783	2,857
1976	2,432	2,189	2,343
1975	1,771	1,798	1,854
Overall Average	$4,763	$4,607	$4,904

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Phoenix elects Blewett

PHOENIX. — Ken Blewett, president of Pioneer Ford, has been elected president of the Greater Phoenix New Car Dealers Assn. Other officers include Jim Blue, Childress Buick, vice-president, and Ray Tanner Jr., Ray Tanner Volvo, secretary-treasurer.

Month's car production totals 325,243

February output lowest since 1948

Continued from Page 1

companies is: GM, 315,000, down 17.29 percent from 380,866 last year; Ford, 106,000, down 18.51 percent from 130,070; Chrysler, 60,000, down 30.65 percent from 86,512; VWoA, 9,273, down 49.47 percent from 18,350, and AMC, 5,000, a drop of 47.99 percent from 9,613.

• For the first quarter, the makers expect to build 1,101,055 cars, down 29.87 percent from 1,569,978 in the first three months of 1981.

Last week, the makers targeted 82,533 units, down 8.81 percent from 90,509 the previous week and down 38.69 percent from 134,625 in the comparable 1981 week.

Breakdown for the week by company is: GM, 67.82 percent; Ford, 19.22 percent; Chrysler, 12.84 percent, and Checker, 0.12 percent.

AMC's Kenosha facility was idle last week to adjust inventory. The plant is scheduled to return today (March 8).

Also idle last week for inventory control were two GM and three Ford facilities. They were: GM Flint and Leeds and Ford Atlanta, Dearborn and Kansas City.

The GM Arlington and Baltimore points were idle for the second week of downtime last week.

Also still down at GM were Framingham, South Gate and Tarrytown. The GM Janesville and Oklahoma facilities remained down for model changeover.

VWoA's Westmoreland plant returns today after a two-week shutdown due to poor sales of the Rabbit. The point will be idle again the week of March 22.

Checker Motors' Kalamazoo facility will be down starting today for one week.

Year-to-date, the makers have built 684,389 cars, down 36.51 percent from 1,077,944 in the comparable 1981 period.

25 Chevy years

R. Wilton Holley, right, owner, Holley Chevrolet Co., Brownwood, Tex., receives Chevrolet's 25-year dealer award plaque from Edward R. Brennan, Dallas zone manager.

February truck production lowest recorded since 1963

Domestic truck production in February was the lowest for that month in 19 years but the makers are looking at March in a much more favorable light.

Last month, the truck manufacturers finished 128,013 units, down 3.69 percent from 132,921 completed in February of last year, and the lowest total for that month since 1963 when only 117,652 trucks were built.

For March, the truck makers are projecting 187,395 units, a 19 percent gain from 157,444 completed in the comparable 1981 month.

The forecast for the first three months of 1982 is 431,109 trucks, down 2.26 percent from 441,074 in the first quarter of 1981.

(Since AM General and miscellaneous figures are no longer reported to AUTOMOTIVE NEWS, these figures, which are estimated, are not included into any forecast and have been subtracted from last year's comparable totals.)

Truck production last week was estimated at 39,477, down 8.46 percent from 43,124 the previous week, but up 11.88 percent from 35,285 the comparable 1981 week.

So far this year, the makers have finished 311,593 trucks, a slight gain from 311,042 in the comparable 1981 period.

Production of light-duty utility trucks was cut last week (March 1) from two shifts to one shift at General Motors' Pontiac facility. About 1,050 workers were placed on indefinite layoff.

Saturday overtime was scheduled last week at GM's St. Louis (GMC Truck & Coach) plant.

American Motors' Toledo (Jeep) plant was idle last week to adjust inventory.

Volkswagen of America's Westmoreland point resumed operations today (March 8) after a two week shutdown due to slow sales. The facility will be idle again for one week, starting March 22.

International Harvester's Ft. Wayne point returned last week after being idle two weeks to control inventories.

TRUCK PRODUCTION IN U. S.†

	Week Ended March 6, 1982	Week Ended March 7, 1981	Week Ended Feb. 27, 1982	Feb. Total	Jan. 1 to March 7, 1981	Jan. 1 to March 6, 1982
CHEVROLET	12,955	9,240	13,724	49,288	109,222	111,707
DODGE	2,300	1,700	2,981	7,220	11,839	19,267
FORD	17,585	14,851	17,324	37,036	100,233	104,287
GMC	4,037	3,879	4,473	17,123	40,616	38,761
INTERNATIONAL	1,150	1,690	699	3,579	13,491	9,088
VOLKSWAGEN	.....	1,040	.....	2,044	8,140	3,347
JEEP	.....	1,600*	2,473*	5,973	17,036*	12,186
AM GENERAL	50*	85*	50*	150*	765*	350*
MISCELLANEOUS	1,400*	1,200*	1,400*	5,600*	9,700*	12,600
Total Trucks, U. S.	39,477	35,285	43,124	128,013	311,042	311,593

CANADIAN TRUCK PRODUCTION

	Week Ended March 6, 1982	Week Ended March 7, 1981	Week Ended Feb. 27, 1982	Feb. Total	Jan. 1 to March 7, 1981	Jan. 1 to March 6, 1982
CHRYSLER CORP.	2,000	1,600	2,023	7,433	9,537	15,468
FORD MOTOR	3,255	3,490	3,694	7,504	31,295	17,230
GENERAL MOTORS	5,848	6,340	5,479	19,648	57,181	41,098
INTERNATIONAL	260	245	239	878	2,357	2,105
Total Trucks, Canada	11,363	11,675	11,435	35,463	100,370	75,901
N. American Trucks	50,840	46,960	54,559	163,476	411,412	387,494

†—Now includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.

1982 diesel models recalled by GM for engine fix

DETROIT. — General Motors announced it will recall about 80,000 1982 cars equipped with the 5.7-liter V-8 diesel for a fix involving the engine governors.

GM said it discovered in testing that one high-mileage production car had a rivet separate in the governor weight retainer assembly. GM said this separation can cause the throttle to stick, resulting in loss of control over engine speed.

GM said it has one report of this happening in a customer's car, No accident or injury resulted, the company said.

Dealers will replace the governor weight retainer assembly on the affected cars.

Month's car build slips in Canada, but year leads '81

Although the Canadian auto makers wound up February with production just a fraction below that of the comparable 1981 period, the total was the lowest for that month in 14 years.

Output last month was 64,022 cars, down slightly from 64,220 in February of last year, and the lowest since 1968 when the auto makers built only 47,317.

The truck manufacturers assembled 35,476 units in February, down 20.78 percent from 44,765 in the comparable 1981 month and the lowest since 1975 when output was 31,140.

Downtime at all Ford car facilities, plus one-shift operations at General Motors' Ste. Therese point cut last week's estimated auto production to 17,957 units, down 3.79 percent from 18,665 the previous week. However, the total was 8.74 percent above 16,513 in the comparable 1981 period.

So far this year, the auto manufacturers have completed 129,316 units, up 12.47 percent from 114,975 in the same period last year.

Truck production last week was targeted at 11,363 units, down slightly from 11,435 the previous week and down 2.67 percent from 11,675 in the comparable week last year.

Year-to-date, the truck makers have finished 75,901 units, a drop of 24.38 percent from 100,370 in the same 1981 period.

Ford's Oakville and St. Thomas facilities were idle last week (March 1) for inventory control. Both points are scheduled to return today (March 8).

Also down for inventory adjustment was one shift at GM's Ste. Therese facility.

GM's Oshawa (No. One) point will be idle one week starting today.

All truck facilities were reported working last week.

U. S. CAR PRODUCTION

	Week Ended March 6, 1982	Week Ended March 7, 1981	Week Ended Feb. 27, 1982	Feb. Total	Jan. 1 to March 7, 1981	Jan. 1 to March 6, 1982
AMERICAN MOTORS	.....	2,032*	1,055*	5,155	16,854	8,134
Spirit	.....	.....	.....	.....	.....	.....
Concord	.....	.....	.....	.....	.....	.....
Eagle	.....	.....	.....	.....	.....	.....
CHRYSLER CORP.	10,600	18,270	15,044	39,685	124,028	87,213
Plymouth Total	3,400	9,370	5,634	16,358	62,116	36,153
Horizon	.....	3,400	2,152	4,327	21,874	10,480
Reliant	3,400	5,000	3,482	12,631	35,946	25,673
Caravelle	.....	120	.....	.....	572	.....
Gran Fury	.....	850	.....	.....	3,724	.....
Chrysler Total	3,500	1,550	2,989	6,007	9,773	16,300
LeBaron	3,500	1,100	2,989	6,007	6,922	16,300
Chrysler	.....	450	.....	.....	2,851	.....
Dodge Total	3,700	7,350	6,421	16,720	52,139	34,760
Omni	.....	2,100	2,194	4,280	15,679	9,466
Aries	3,000	3,900	3,194	9,997	29,710	19,987
Diplomat	.....	950	.....	.....	5,001	.....
Dodge 400	700	.....	1,033	2,443	.....	5,307
St. Regis	.....	400	.....	.....	1,749	.....
FORD MOTOR	15,862	22,820	26,576	68,779	218,023	125,473
Ford Division	8,716	15,727	17,649	41,642	150,582	73,238
Escort	7,239	8,204	7,230	17,413	73,989	34,141
Fairmont	.....	4,277	3,563	6,951	28,454	10,035
Must./Must. II	.....	1,288	4,480	8,974	17,615	13,285
Granada	1,328	270	2,249	6,840	9,463	11,403
T-Bird	.....	.....	.....	1,176	5,781	3,704
Ford	.....	1,688	.....	.....	15,280	.....
EXP	149	.....	127	288	.....	670
L-M Division	7,146	7,093	8,927	27,137	67,441	52,235
Mercury Total	4,753	5,759	6,511	18,633	58,282	34,853
Lynx	2,164	2,856	2,051	5,298	24,684	9,640
Capri	.....	302	1,015	1,922	5,112	2,942
Zephyr	.....	1,080	1,085	2,302	8,619	3,774
Cougar	680	229	1,043	3,662	4,345	6,385
XR-7	.....	.....	.....	457	3,527	1,194
Mercury	1,873	1,292	1,304	4,934	11,995	10,742
LN7	36	.....	13	58	.....	176
Lincoln Total	2,393	1,334	2,416	8,504	9,159	17,382
Continental ('82)	480	.....	483	1,702	.....	4,007
Lincoln	957	648	966	3,491	4,340	6,959
Mark VI	956	686	967	3,311	4,819	6,416
GENERAL MOTORS	55,971	87,256	47,734	202,058	684,968	445,607
Buick Division	9,869	19,474	14,467	55,991	163,616	109,338
Skylark	3,345	5,229	2,625	9,506	46,536	17,300
Skyhawk J	.....	.....	2,317	8,599	.....	11,880
Century	2,599	3,900	2,547	10,578	32,060	21,833
Regal	.....	6,040	3,461	13,995	43,313	25,579
Buick	3,170	3,360	3,108	12,099	30,982	28,584
Riviera	755	945	409	1,220	10,725	4,162
Cadillac Division	5,620	6,347	2,081	15,658	56,397	41,390
Cimarron	.....	.....	.....	.....	.....	493
Seville	665	736	539	1,581	6,086	3,609
Eldorado	1,355	1,347	1,542	4,602	12,051	10,209
Cadillac	3,600	4,264	.....	9,475	38,260	27,079
Chevrolet Division	18,035	35,726	7,202	40,035	243,249	106,562
Chevette	6,850	9,022	1,676	3,362	50,511	13,545
Cavalier	1,475	.....	.....	.....	.....	14,944
Celebrity	390	.....	559	2,487	.....	6,514
Camaro	5,755	3,045	3,927	15,216	21,962	33,258
Citation	3,065	8,174	.....	3,675	60,354	14,209
Malibu	.....	6,645	.....	6,838	42,482	8,953
Monte Carlo	.....	3,240	.....	4,481	22,832	6,434
Chevrolet	500	4,800	434	1,693	38,150	3,465
Corvette	600	800	606	2,283	6,958	5,240
Oldsmobile Division	15,376	18,098	18,247	68,706	163,380	134,846
Omega	1,665	3,468	1,440	5,494	26,967	12,060
Firenza	.....	.....	2,316	8,590	.....	18,119
Cutlass	4,800	7,525	4,780	18,171	78,255	31,950
Cutlass/Ciera	2,736	.....	3,245	12,236	.....	18,257
Oldsmobile	5,330	6,220	5,437	21,168	49,625	47,925
Toronado	845	885	1,029	3,047	8,533	6,535
Pontiac Division	7,071	7,611	5,737	21,668	58,326	53,471
Acadian†	.....	250	.....	.....	2,776	.....
J2000	382	.....	.....	.....	.....	2,220
T1000	105	.....	190	342	.....	687
Firebird	2,397	1,035	2,242	8,730	9,476	17,900
Phoenix	907	2,346	.....	598	21,138	4,416
Grand Prix	1,640	2,345	1,638	6,092	14,075	14,141
Bonneville ('82)	1,640	.....	1,667	5,906	.....	14,107
A6000	.....	.....	.....	.....	.....	.....
LeMans	.....	1,435	.....	.....	8,043	.....
Pontiac	.....	200	.....	.....	2,818	.....
VOLKSWAGEN	.....	4,160	.....	10,266	33,641	17,262
CHECKER	100*	87*	100*	300	430	700*
Total Cars, U. S.	82,533	134,625	90,509	325,243	1,077,944	684,389

CANADIAN CAR PRODUCTION

	Week Ended March 6, 1982	Week Ended March 7, 1981	Week Ended Feb. 27, 1982	Feb. Total	Jan. 1 to March 7, 1981	Jan. 1 to March 6, 1982
AMERICAN MOTORS	600	600	610	2,371	4,936	4,360
CHRYSLER CORP.	3,440	.....	3,459	13,018	3,538	29,595
FORD MOTOR	3,892	2,936	8,337	16,091	13,309	31,638
GENERAL MOTORS	9,800	12,752	6,034	31,688	91,268	61,699
VOLVO	225	225	225	854	1,924	2,024
Total Cars, Canada	17,957	16,513	18,665	64,022	114,975	129,316
N. American Cars	100,490	151,138	109,174	389,265	1,192,919	813,705
N. American Trucks	50,840	46,960	54,559	163,476	411,412	387,494
North American Cars and Trucks	151,330	198,098	163,733	552,741	1,604,331	1,201,199

†—All Acadians and Caravelles are built for sale in Canada. *—Estimated.

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Automotive News

March 15, 1982

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Geneva genesis

Mitsubishi basher

Mitsubishi 2+2 Starion was introduced at the Geneva Motor Show. It features a turbo gasoline engine and an antiskid braking system. The Starion will be sold first in Europe, later in Japan and the U. S. Story on Page 2.

'S' stands for Sporty

Sprightly Opel open-air show car, based on General Motors' S-car to be built in Spain, is named Corsa. It was unveiled at the Geneva Motor Show. Covering over passenger seat rolls sideways into the door, like a desk top.

Production cutbacks trim new-car supply to 70 days

By Richard A. Wright
Assistant Managing Editor

U. S. auto makers reined in their runaway inventories during February and opened March with a very respectable 70-day supply of new cars.

But there wasn't much cheering in Detroit.

While inventories may be back in line, the reduction from the month-ago 97-day supply — and the record 107-day stockpile Jan. 1—was achieved mainly through production cutbacks.

The domestic new-car inventory totaled 1,325,073 on March 1, down more than 100,000 units from 1,431,983 a month earlier, and below the 1,334,919-unit total on March 1 a year ago, which was a 59-day stock.

Interestingly, the market segments in which there has been the most new-model introduction activity in recent months—subcompacts and intermediate—continued to be the heaviest in inventory supply.

All corporate makers trimmed their days-supply figures during February and all but Volkswagen of America cut their unit counts, reflecting not only production cutbacks but also an upswing in the sales pace compared with January.

• General Motors slashed its inventory sharply during February and opened March with a 71-day supply, down from 98 days a month earlier. GM's recently introduced A-body cars continued in heavy supply, while stocks of its compact X-bodies were dwindling.

Ford Motor Co. continued its heavy inventory chopping and opened March with a 59-day supply, down from 87 days a month earlier and 113 days two months earlier. Strong sales continued to whittle Escort and Lynx stocks.

Chrysler Corp. had a 76-day supply of new cars March 1, down from 104 days a month earlier. Shortages have not been a problem at Chrysler for a long time, but the corporation has managed to bring most of its more burdensome nameplate stocks into line.

VWoA was the only maker to increase its unit count during February, but a stronger sales pace resulted in a decline in days supply from 165 a month earlier to 138½ on March 1.

Table on Page 50

American Motors opened March with an 88-day supply down from a 112-day stock a month earlier.

The March 1 domestic inventory was divided this way: GM, 61.36 percent; Ford Motor Co., 20.51 percent; Chrysler Corp., 13.24 percent; VWoA, 2.90 percent, and AMC, 1.99 percent.

A month earlier, the domestic inventory was divided as follows: GM, 61.20 percent; Ford Motor Co., 21.44 percent; Chrysler Corp., 12.98 percent; VWoA, 2.45 percent, and AMC, 1.93 percent.

• By size class, the industry trimmed its supply of subcompacts from 120 days to 74 and its stock of intermediates from 127 to 84, but those segments

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Job-security advances altering labor relations

By Marjorie Sorge
Labor Editor

The wave of early contract talks currently flooding the automotive industry will carve a path for the ultimate job security and more interaction between company and union.

Some union officials see vast changes coming in the next decade, changes that will alter the way the U. S. automotive world is run.

While the new pacts are opening up closer communications between the auto companies and the workers, there are also other trends developing. These include:

1. Industry-wide seniority stemming from company-wide seniority. This would allow workers to transfer to any automotive plant, including suppliers, as long as it was UAW-represented. Company-wide seniority must be established first.

2. One workforce with little if any differentiation between white-collar and blue-collar employes.

3. A more mobile workforce requiring increased moving allowances to keep up with the relocation rates.

4. A world-wide umbrella union representing all parts of the automotive sector throughout the world.

Some union officials say these changes are possible within the next decade.

But the speed at which they develop will depend on how well the workers accept the new agreements — the new one at Ford Motor Co. and those which could be negotiated at American Motors and General Motors.

The key to the new era of labor relations is union-management and employe-employer communications. In the new Ford agreement and in previous Ford, AMC and GM contracts, moves have been made to give the workers more input into the everyday decisions of the companies.

• The trend began to pick up steam with UAW President Douglas A. Fraser's election to the Chrysler Corp. board of directors two years ago. Fraser said recently that his seat allowed him to hold up the sale of Chrysler Defense, Inc., until he was certain the workers were well protected.

The practice of more union participation in company mat-

Continued on Page 52, Col. 1

breaking news

GM sued for Cadillac V-8-6-4 engines

DETROIT. — Lawsuits have been filed against General Motors in Cleveland and Ft. Worth by owners of Cadillacs equipped with V-8-6-4 engines. The Cleveland suit seeks $10 million in punitive damages for an estimated 5,000 Ohio owners of the cars, which are said to stall, surge, knock and lag in power. The Ft. Worth suit charges breach of warranty.

Mitsubishi buys site near Los Angeles

FOUNTAIN VALLEY, CALIF.—Mitsubishi Motor Sales of America has purchased a 22.3-acre site in Cypress, a suburb of Los Angeles. The company will eventually locate its corporate headquarters, national parts distribution center, service training center and Western regional headquarters at the site.

Import market declines in Japan

TOKYO.—Sales of imported car sin Japan numbered 1,893 in January, down sharply from the 2,336 counted a year earlier. Leading makes were: Volkswagen, 661; Mercedes-Benz, 318; BMW, 208; Audi, 170; Ford, 111, and Buick, 64.

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Real estate magnates mapping out dealer network

National used-car chain in works

By Matt DeLorenzo
Los Angeles Reporter

LOS ANGELES. — A new company called Triexcellence, Inc., is seeking to establish a national used-car dealer network, franchising new-car dealers to sell both their own and consumers' cars under the Triex banner.

The principals behind Triex, Art Bartlett, who is chairman, and Jim Cummings, president, say they will use the same techniques they employed in building the Century 21 real estate chain.

Bartlett is still chairman of that company, while Cummings formerly served as its president and chief executive officer.

According to Cummings, Triex hopes to have 3,000 to 5,000 dealers in the network by 1987. Their goal is to eventually account for 5 percent of total used-car sales nationally.

Cummings said the primary objective behind the Triex program is to build a trade name that is synonymous with quality used cars when the consumer is either looking to buy or sell a vehicle.

To that end, the company will be committing large amounts of money to national print and television advertising campaigns. In fact, the largest ongoing expense by a dealer participating in a Triex franchise will be advertising.

The buy-in price of a Triex franchise will be $10,000 for the trade name, plus $80 per month. The dealer will also be required to contribute $2,000 per month toward an advertising fund.

Triex will also contribute 10 percent of $80 per month of each dealer's monthly fee to that pool, and those revenues will be used for both national and local ad campaigns.

Cummings said the operation will provide a franchise for the

Continued on Page 52, Col. 4

Plant closings prompt reversal of union stance

UAW and GM return to bargaining table

By Marjorie Sorge
Labor Editor

DEARBORN.—The UAW General Motors Council voted overwhelmingly Thursday to resume negotiations with GM.

With 15 dissenting votes the 314-member council voted to return to the table immediately. GM and the UAW met Friday, at the company's request. At that time, GM made a presentation to the union.

UAW President Douglas A. Fraser said he expects intensive negotiations to begin today (March 15).

He said the council acted because of the numerous plant closings at GM and because of the new Ford Motor Co. contract. Talks with GM broke off Jan. 28 without an agreement.

When asked if the union had lost some of its strategic edge in the six-week hiatus, Fraser said, "The longer you wait, the weaker you get and the stronger GM gets," indicating the union is in a slightly weaker position today than it was in January.

Owen Bieber, UAW vice president and director of the GM department, said plant closings will be a major topic at the negotiations.

Fraser said, "Maybe one of our first demands should be that someone should put a zipper on Roger Smith's lips."

Smith, GM chairman, in the past indicated that a lack of an agreement would mean more plant closings and layoffs.

The UAW International Executive Board will meet the week of March 22. If no agreement has been reached with GM by that time, the union will recess talks until the meeting is over.

Fraser has said the union wants to discuss the new Ford contract as a model for any new GM package and is still interested in arranging a "pass-through" agreement that could lower car and truck prices penny for penny on any cost savings generated by UAW concessions in a new contract.

Both Roger B. Smith, GM chairman, and F. James McDonald, GM president, have said GM will not pass along savings to the consumer in the next round of talks.

Besides a pass-through agreement, the original framework agreed to by GM and the UAW before talks broke off Jan. 28 allowed an independent CPA to see GM's books and provided job security and equality of sacrifice.

At the start of negotiations, both sides agreed to withdraw their proposals if a settlement could not be reached, but Alfred S. Warren, GM labor relations vice president, said then he didn't see GM disregarding that framework entirely although he said it might be altered as time passed.

Art Davis, auto anaylst for Prescott, Ball & Turben, said the union will not press for the pass-through because Ford would have to follow suit and the "UAW does not want to hammer Ford right now." He thinks GM will cut the prices with the fall introduction.

Fraser said a pass-through plan is not necessary for ratification of a new pact and indicated the union would take into consideration the freeze-up of sales which occurred the last time the plan was announced.

He also warned that an agreement with GM will not be possible if GM takes a hard-line attitude during bargaining.

"I hope GM does not expect us to make more concessions than Ford," he said. "That's totally unrealistic especially when you consider Ford's big losses."

• The Ford contract costs each worker about $2 an hour. Ford lost just over $1 billion in 1981 while GM made $333.4 million.

Davis said he expects GM to come to the table with a new set of demands which would ask for labor cost cuts totaling $6 or $7 an hour.

"I think you've got a barn burner coming," he said.

While the Ford agreement will be a model, according to Fraser, union officials say the language in any GM contract must be tougher than in the Ford pact. Much of the language in the Ford contract is loosely worded and is based on the trust of both parties.

The Ford agreement expires Sept. 14, 1984, and provides a guaranteed income program for high-seniority workers, a 24-month moratorium on plant closings, improved SUB benefits, profit sharing and forms of job security.

In exchange, the UAW granted a wage freeze for the length of the contract, a nine-month freeze on COLA increases and the elimination of all paid personal holidays (PPH).

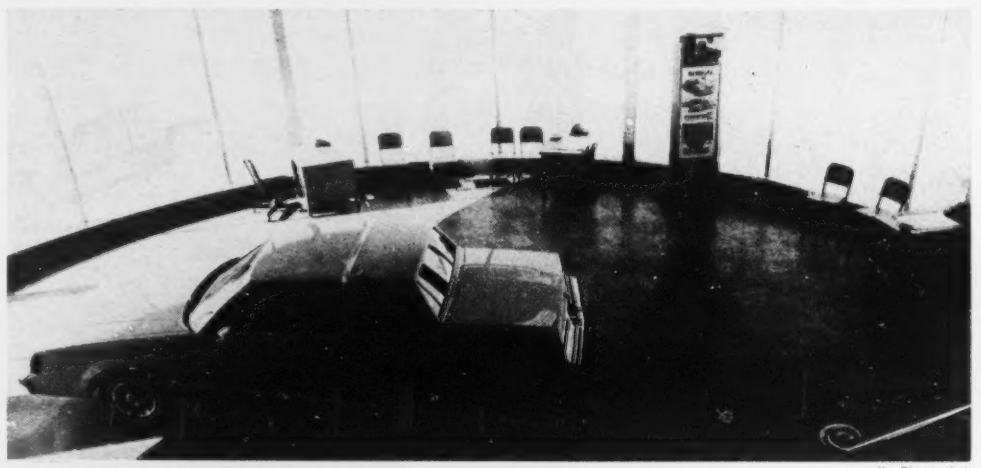
In the last round of GM-UAW talks, the union wanted a moratorium on outsourcing and demanded that all operations moved overseas within the past year be returned to the U. S. Its economic plan dropped labor costs by about $3.50 an hour.

GM's first proposals called for a $5 an hour cut in labor costs.

The contract would have run through September, 1983.

Meanwhile, at presstime, the UAW's talks with American Motors had recessed while one local readied its proposal to the company. Under the AMC agreement, there are certain parts of the contract tailored to each local.

The UAW and AMC are negotiating a $150 million investment plan which requires workers to invest with AMC 10 percent of their raises over about 22 months. It also calls for cuts in paid time off.



Jim Piegue photos

. . . And then there was one

The showroom floor of P. L. Grissom & Son Buick, Dearborn, a dealership which once moved as many as 1,000 cars a year, is almost empty now. This lone white '81 Regal demo was sold to a young woman at the end of February. It was replaced on the floor by a white '81 Riviera demo, which could well be the last car Grissom Buick will ever sell. The dealership opened for business over 50 years ago.

No floorplan, little business but much pride for Chuck Grissom

Seeing a lifetime go down the drain

By Edward Lapham
Financial Editor

Chuck Grissom is a tired man. On his desk are a number of prescription drug vials for a variety of ailments, which he said include heart problems.

However, the biggest problem facing Grissom, president of P. L. Grissom & Son Buick, is that for the past year he has had to watch as the business started over 50 years ago by his father has slowly bled to death.

Grissom's father, P. L. Grissom, started as a GM dealer in 1931. He opened the current deal in 1965 with his son, who assumed day-to-day responsibilities after P. L.'s death in 1972.

Chuck Grissom has a number of relatives, uncles and nephews, who also are new-car dealers. Most are GM dealers.

The store, which stands in the shadow of Ford Motor Co. corporate headquarters in Dearborn, is virtually empty now. A workforce that once totaled 54 is now down to just a dozen. One of Grissom's sons was among those laid off.

A lone white '81 Riviera demonstrator sits on the showroom floor waiting to be delivered. It will likely be the last car Grissom sells.

Chuck Grissom's situation is not unique. According to Automotive News records, the number of General Motors, Ford, Chrysler and American Motors dealerships declined by 3,263 from Jan. 1, 1979, through Dec. 31, 1981, the period of the current automotive depression.

Grissom believes that he has much in common with other dealers in a similar situation, but at the same time there seems to be a certain unique element to the situation, almost like an existential novel where the characters are passive participants with no control over their own destinies.

The dealer calls it a "Catch-22" situation: Grissom said he cannot get his GMAC floorplan reinstated, he cannot obtain another line of wholesale credit, he cannot buy cars from the factory which prevents him from operating as a new-car dealer, and he cannot find an acceptable buyer for his dealership.

His only alternative is to "turn the key" and close the dealership forever. That he refuses to do for reasons of pride.

• Like many dealers in general, and urban dealers in particular, Grissom has found the last few years to be particularly difficult. The 1970s phenomenon of sprawling suburban dealerships

Continued on Page 29, Col. 1

Every picture . . .

Chuck Grissom, P. L. Grissom & Son Buick, sits beneath a portrait of himself done in earlier, better days. Behind the dealer, a TRS-80 computer sits idle.

New models groomed by European makers

GENEVA.—If the new products are a bit thin here at Geneva's annual spring auto show, there are plenty round the corner.

Most of them are being saved for Paris in the fall. At least five all-new models will be there to grab the headlines.

Ford and Fiat will replace models that are no spring chickens. Audi, hit by a significant swing away from its bigger 100 and 200 models, will have something to bring back showroom traffic.

At the same time, General Motors' Opel and Peugeot SA's Citroen will make some overdue plugs for gaps in their ranges.

Ford Ford, Paris will be the time of the Sierra, heavily hinted at with Probe 3 shown at Frankfurt. Sierra will replace the mid-size Taunus sedan, a model which only sells well now in the UK (as a Cortina). The competition from GM's J-car, put into production in West Germany and the UK last fall, is being increasingly felt.

Fiat's news will be the Type 1, a model which must be regarded as an eventual successor to the small hatchback 127. The 127 has been tarted up several times—as have a lot of Fiat products—but there is no real disguising its age.

Audi now makes little secret of the fact that its three-box Auto 2000, unveiled at Frankfurt, is very close to the true replacement for its larger models. It is a soft, stylish car.

Opel dealers are desperate to round out their model offering in the Polo/Renault 5/Fiesta category. They will get it with the Spanish-built Corsa, the model hitherto known as the S-car. It, too, will debut at Paris.

Similarly, Citroen needs a model between its medium GSA and larger CX. It will introduce the XB as a result. It will also undoubtedly have the diesel power plant option that has been notable by its absence at the lower end of Citroen's range.

Not at Paris, but certainly unveiled before the end of the year, will be Daimler-Benz's small Mercedes 201.

But before all this, Fiat's Lancia operation will attempt to steal the spotlight at the spring Turin auto show.

There will certainly be a three-box version of the hatchback Delta. Its name is not known, though it has masqueraded under various type numbers.

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